

Whether you want to renovate your home, consolidate your higher interest debt or finance a larger purchase, using the equity you have in your home can give you the flexibility to get started on your plans.

A BMO Harris Banker is here to help by asking questions about your goals and providing the best solution to fit your lending needs. If you're considering a home equity product, this guide will help you understand the process of applying for a home equity loan or line of credit.

## Take a look at the following six steps:

### 1 Getting started

To complete your initial loan application, your Banker will:

- Collect some of your personal information and details about the property. See the checklist to the right for a full overview.
- Obtain your permission to pull and review your credit report.
- Provide contact information and collect your preferred contact method(s) so we can discuss any additional questions and keep you informed during the process.

Staying updated on your application is simple. Your Banker can tell you how to sign up for e-disclosures, a faster way to receive disclosures about the loan for which you're applying.

#### TIP

Expedite the application process by providing all the necessary information and documentation, as detailed in this guide, in your first meeting.

### 2 Review your disclosure

- If you applied for a home equity line of credit (HELOC), you'll receive a guide that explains important information regarding this product and the BMO Harris Home Equity Line of Credit Terms and Conditions.
- If you applied for a home equity loan, we'll send a Loan Estimate within 3 business days. The Loan Estimate provides estimated details about the terms of your loan, including amount, interest rate, applicable fees, projected tax liability, monthly payment and closing costs.

#### Information to provide with your application

- |                                                 |                                           |
|-------------------------------------------------|-------------------------------------------|
| <input type="checkbox"/> Name                   | <input type="checkbox"/> Property Address |
| <input type="checkbox"/> Income                 | <input type="checkbox"/> Estimated Value  |
| <input type="checkbox"/> Social Security Number | <input type="checkbox"/> Requested Amount |

### 3 Submit your additional documentation

- Your Banker will explain the documentation requirements from the chart on the other side of this page.
- Gather all your documents and submit them together—directly to your Banker—so your application is processed as quickly as possible. Please include all pages of these documents, even if they are blank.
- If we need additional information, or if any documents are missing or incomplete, we'll send you a notice outlining what we'll need to complete our review of your loan request. In this instance, your Banker is available to help clarify what you need to do. It is important to provide this information as quickly as possible to avoid delays.
- Once we have all your information, we'll review the documents, evaluate your credit history, verify your employment and income, and provide an initial decision.

### 4 Loan decision

- If approved, you'll receive a commitment letter with loan terms and a request for any remaining documents needed to finalize your application. Keep in mind, this approval is dependent on an appraisal of the property's value and/or title search, which we'll conduct on your behalf.
- Once your approval has been finalized, your Banker will contact you to share the good news and schedule your closing.
- If we're unable to approve your request, we'll provide a letter offering the opportunity to discuss reasons for our decision. Your Banker may also be able to explore alternative options to assist you.

## 5 Closing your loan

- If you applied for a HELOC, there are no further requirements and we'll contact you to schedule your closing.
- If you applied for a home equity loan, we'll provide a Closing Disclosure at least 3 business days before your scheduled closing.
- Your Banker will inform you of anything you need to bring to closing.
- At the closing, you'll meet with your Banker to sign your agreement.

## 6 Access to funds

- If applicable, your loan will be disbursed to you following a required waiting period of 3 business days after your loan closing.
- If you've enrolled in BMO Harris Online Banking®, you'll be able to see your loan information reflected when you log in to your account within 3–5 calendar days.
- If you have a HELOC, you'll receive a welcome package by mail that contains your access checks within 7–10 calendar days. If you have signed the authorization to receive the BMO Harris Bank Equity Access Card\*, you'll receive it in a separate mailing.

## Additional documents needed for loan processing

### Proof of income and employment

#### If you receive a W-2 each year:

- Copies of pay stubs (30 days)
- Most recent 2 years of your Form W-2 from your employer or year-end paystubs

#### If you are self-employed:

- Most recent 2 years of your personal IRS tax return documents
- Most recent 2 years of K1 for each of your businesses

#### If you receive Social Security, pension or retirement benefits:

- IRS tax return documents, most recent Form 1099-MISC (Miscellaneous Income) from the past year
- Copies of retirement award letter(s)
- Most recent full bank and/or investment statement(s)

### All applicants

We'll provide a BMO Harris General Authorization Form to obtain your written consent to request additional information and an IRS 4506T to verify your income, as applicable. In addition, we'll ask that you provide the following:

- Property information (purchase price, purchase date, property type)
- Contact information (phone, mail, email)
- Personal information (date of birth, marital status, employment status, residential status)

### Additional income documents

You may be asked to provide other documents to help show your income, such as disability payments, dividends, bonuses and rental property. Income from child support and alimony may be provided if you want it considered as a basis for repayment of the loan.

### Proof of hazard (or homeowners) insurance

Hazard insurance is required on all home equity loans or lines of credit. Proof of insurance includes a policy or certification of coverage, a declarations page or a copy of the master policy from your homeowners association (if applicable).

### Proof of flood insurance

If you live in a Special Flood Hazard Area, you'll need to send us your policy declarations page or a copy of the master policy from your homeowners association (if applicable) that shows you have adequate flood insurance coverage for your home you're requesting to use as collateral.

### Other documents

If you're paying off any debts outside of BMO Harris Bank, you'll need to provide us the payoff information, including the account number and payment address.

Banker \_\_\_\_\_

Phone number \_\_\_\_\_



We're here to help.™

\* The BMO Harris Bank Equity Access Card may not be available in all states.

This is an overview of the general steps to the home equity application process. This is not a complete description of the home equity application process, and there may be other requirements that apply.

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