FAQs: HELOC Payments

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Why does my monthly payment change?

In general, HELOC payments can change from month to month for a variety of reasons. A few common reasons include:

Interest Rate changes: Most HELOCs have a variable interest rate that periodically adjusts to the market rate. When the interest rate changes, the monthly HELOC payment will change accordingly.

Unpaid Principal Balance (UPB) changes: Any new draws, payments, or curtailments (extra principal payments) affect the customer's current balance, which directly impacts their monthly payment.

Number of days in the billing cycle: Some months have more days than others, which can slightly increase or decrease the amount of accrued interest.

Fees: If a fee – such as an annual or late payment fee – is charged during a billing cycle, the fee amount is added to the monthly payment.

Escrow balance changes (if applicable): When a first-lien HELOC has an escrow account, changes in tax and/or insurance expenses that impact the escrow balance can affect the HELOC payment accordingly.

HELOC payments adjust to reflect the present status and interest rate environment.

How are HELOC payments calculated?

Typically, HELOC payments are calculated based on the interest rate, outstanding balance, amortization term and interest calculation methods as described in your HELOC agreement.

During a draw period, the minimum monthly HELOC payment often equals the interest accrued that month.

During a repayment period, the monthly payment amount is typically calculated based on both principal and interest.

HELOC terms vary. To review the payment calculation for your unique HELOC, revisit your HELOC agreement or log into our website or app and go to *My Loan* to see these details.

Can I make extra payments to pay off my HELOC early?

You can make additional principal payments online, in person, or by mail to pay off your HELOC ahead of schedule. Please note, if you make an additional principal payment, the funds may not be available for draw for up to 10 days.

How do I make an additional principal payment?

This can be done online, by phone, or by mail. If you mail a check, please specify how you want the additional funds applied to your account – for example, write “additional principal” and your account number on the check.

What happens if my HELOC balance is at zero?

You can choose to leave it open until your draw period expires or close your HELOC.

What options do I have if I can't make my monthly payments?

If you are experiencing financial hardship, please contact our Homeowner Assistance Team as early as possible at . We will share potential options with you and evaluate your eligibility for assistance programs. We are here to support you!