

## Home Equity Loans Without Lines Of Credit

Contributed by Administrator  
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When it comes to an understanding of Home Equity loans you need to know how your home is being assessed. You might have probably come across many advertisements for Home Equity loans out there in almost all places. Home equity loans and lines of credits can be pretty convenient. These loans are taken on the basis of the equity accumulated on your home as the name implies. They can be life savers when you need some extra money; however, if you default on home equity loans the consequences as horrible as losing your home.

There are many kinds of home equity loans. The first commonly used one is that which is based on the lines of credit. This is when you are given an approval by the lending institution to borrow a specified amount of money over the equity you have gathered in your home. You might not get the money right away from the bank, but it is available for use if you need it. You are not forced to get it, but you are approved to be seeking help from the line of credit in your home and you can borrow some money under home equity loans from the lender.

The next kind of home equity loans are the fixed rate loans where your equity is calculated and you are allowed to borrow on it. The repayment is made on a fixed interest for a fixed period of time. You are allowed to pay more than the agreed EMI on the loan, but you are not forced to pay the fully required amount. This loan is not one that is based on line of credit.

Home equity loans are based on:-

- Lines of credit
- Not on lines of credit

Using home equity loans without lines of credit is less risky than using home equity loans based on lines of credit. The later is like have a might credit card and using it as you please. There might be cases where you might not be able to control your spending with home equity loans based on lines of credit, in such cases it might be a royal mess when you are not sure that you are dipping down and exhausting all the lines of credit. Understand the deepest risks in home equity loans before you can actually apply for them. Take a oath that you will have an offer, but not use it unless it is a dire need.