

The CS Advisory Group

the plan: action alert



Lenders freeze equity lines in response to falling property values

Report: North County Times

Several major lenders are freezing withdrawals from Home Equity Lines of Credit (HELOCs) – and I don't want you to be caught off guard by this development.

Previously, HELOC withdrawals were usually only frozen for reasons such as bankruptcy, declining credit and payment problems.

While these events can still cause a freeze, there's another factor that lenders are considering today: the value of your property. The lender retains the right to suspend or reduce the line of credit available if your property value falls below the appraised value used to originate the loan. Lenders are now actively assessing properties and then suspending access for account holders who have seen a downward slide in their home value.

If you're in such a market, then access to your HELOC may be at risk. Your financial security and success are my highest priority. Please call me to discuss your options in this rapidly changing marketplace.

Warm Regards,
Tracy Cavanaugh CMP, CMPS
 The CS Advisory Group



About Tracy Cavanaugh

Tracy has over a decade of experience in the mortgage banking industry. She established the Advisory division of AFFG with offices in both east and west coasts.

Tracy has earned the designations of both Certified Mortgage Planning Specialist (CMPS) and Certified Mortgage Planner (CMP) and holds a New Jersey Mortgage Banking License for both first and second mortgages and is a licensed California lender. She is a member in good standing with the Financial Planning Association and Certified Mortgage Planning Specialist Institute.