AL ELITE

FREE WORKSHEET · HELOC VS HOME EQUITY LOAN VS UNSECURED

Roof Loan Comparison Worksheet

Decide between a HELOC, a home equity loan and an unsecured roof loan with a situation test, a side-by-side table and an equity calculator.

INSIDE

- Situation test
- Equity calculator
- Lender questions
- Side-by-side comparison table
- HELOC question list
- Decision page

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AL Elite Financing is a matching service, not a lender. This resource is general information, not legal, tax, insurance or financial advice.

Which product fits your situation?

- ☐ Roof is urgent (this month)
- ☐ Little or no home equity
- ☐ Prefer no lien on the home
- ☐ Current mortgage rate is very low
- ☐ Planned replacement (months away)
- ☐ Plenty of equity (20%+ after loan)
- ☐ Want the lowest rate per dollar
- ☐ Amount is under $10,000

Unsecured roof loan
Days to fund, no lien, fixed rate. Wins on urgency, low equity and moderate amounts.

Home equity loan
Lower fixed rate, 3 to 6 weeks to close, closing costs, lien on the home. Wins on planned, larger projects.

HELOC
Variable rate, interest-only draw period then full payments. Flexible, but watch the payment jump and rate changes.

Side-by-side comparison

Get a written quote or estimate for each route and fill in the same lines. The APR includes closing costs, so compare it, not the headline rate.

Line	Unsecured loan	Home equity loan	HELOC
Lender			
Amount			
Rate (fixed / variable)			
APR incl. fees			
Term / draw period			
Closing or origination costs			
Monthly payment			
Total interest			
Time to money			
Prepayment penalty?			
Secured by home? (Y/N)			

Example

$18,000 over 10 years at 8.25% (home equity loan) is about $221/month and $8,500 interest; the same amount over 5 years at 11.99% (unsecured) is about $400/month and $6,000 interest. Lower rate doesn't always mean lower total cost once the term is longer.

Equity and HELOC checks

A	Estimated home value	
B	Mortgage balance (and any other liens)	
C	**Equity = A − B**	
D	Lender's required cushion (often 15–20% of A)	
E	**Borrowable equity = C − D** Rough guide; lenders differ	

HELOC questions

- [ ] When does the draw period end, and what will the payment be then?
- [ ] Can I lock a fixed rate on the amount I draw for the roof?
- [ ] Annual fee, inactivity fee, early closure fee?
- [ ] Can the lender freeze or reduce the line, and when?

Decision

Questions for every lender

- [ ] What is the APR including fees, and is the rate fixed?
- [ ] Is there an origination fee, and is it deducted from the loan amount?
- [ ] Is any promotional period deferred interest or waived interest?
- [ ] Is there a prepayment penalty?
- [ ] When is the contractor paid, and when does my first payment start?
- [ ] Does checking my options use a soft or hard credit inquiry?

- [ ] Unsecured roof loan
- [ ] Home equity loan
- [ ] HELOC
- [ ] Combination (savings + loan)

WHY THIS CHOICE, AND WHAT WOULD CHANGE IT

Ready to compare roof financing?

alelitefinancing.com/roof-financing/ reaches lenders who fund roofs in your state. Or call (888) 968-0079.