HOME EQUITY LOANS VS. CASH-OUT REFINANCE CALCULATOR

Use this calculator to estimate which home equity option may work best for you.

This home equity loan vs. cash-out refinance calculator[1, 2, 3] uses information you provide and it also makes some assumptions about mortgage insurance, annual percentage rate (APR)[1] and other costs, which can be significant.

Loans | Closing Costs

The following fields are required.

Current loan

Original loan term
30 years

Original interest rate
7.200%

Year your mortgage began
2012

Remaining mortgage balance
$120,000

Monthly mortgage payment
$1,685
Include taxes and insurance

State
IL

County
DuPage

New loan

Amount to borrow
$
You can take out up to ________ .

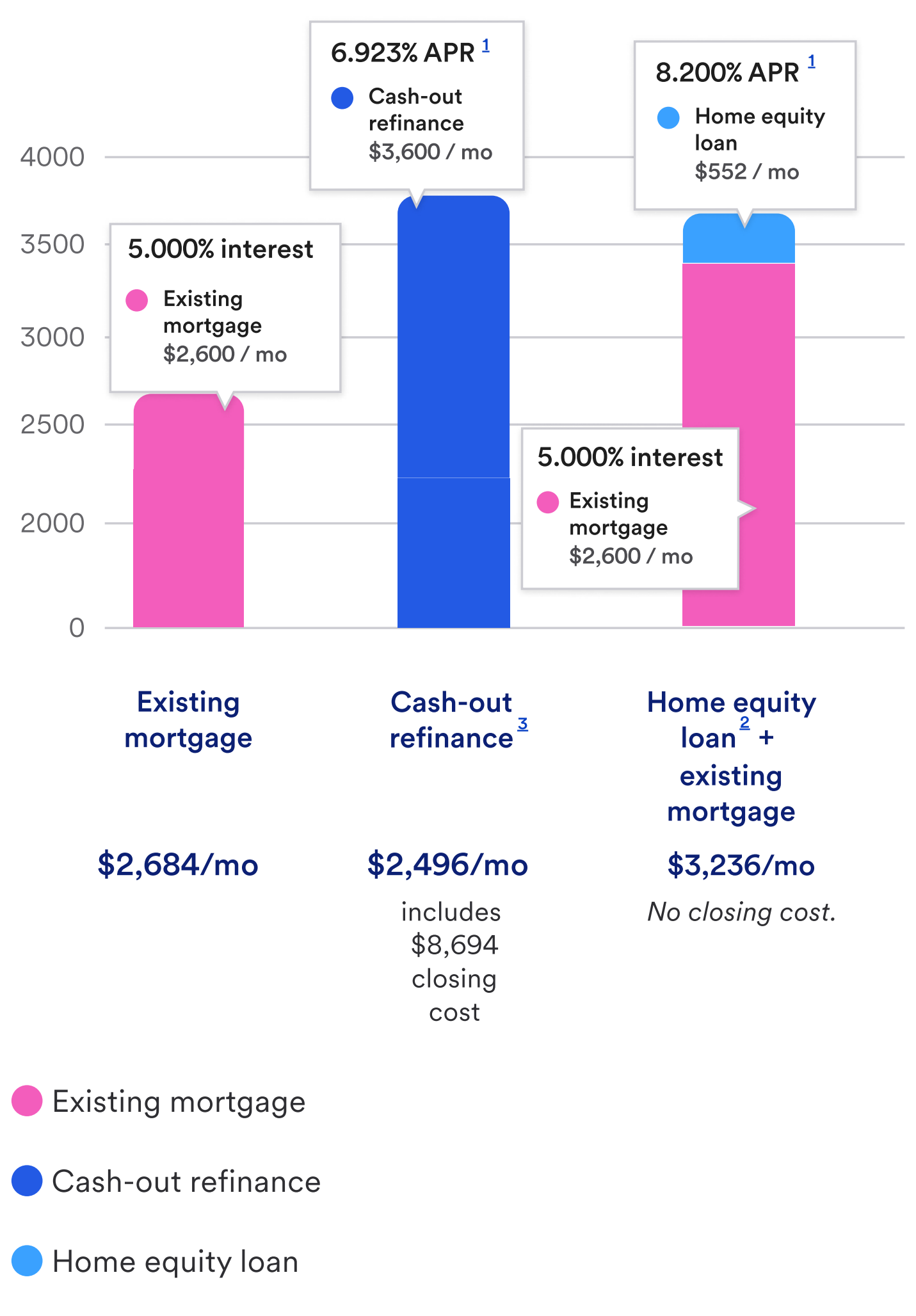
Home equity loan term
30 years

Cash-out refinance term
30 years

Update

Loan comparison results

MONTHLY PAYMENTS



Existing mortgage	Cash-out refinance[3]	Home equity loan[2] + existing mortgage
$2,684/mo	$2,496/mo includes $8,694 closing cost	$3,236/mo *No closing cost.*

Ready to take the next step?

Start your refinance application

Prequalify for a home equity loan

Understand your home equity loan vs. cash-out refinance calculator results.

Once you enter your home and mortgage information, this calculator factors in interest rates and different fees and prices for your home's location. Your results are estimates meant to help you decide if a home equity loan or a cash-out refinance is a more cost-effective use of the equity in your home.

What are the differences between a home equity loan and a cash-out refinance?

Both home equity loans and cash-out refinances allow you to tap into the equity you've built up in your home, but they work in different ways and are better for different situations.

Home equity loan

A home equity loan lets you borrow a lump sum of money based on the equity in your home. It's a separate loan, so your current mortgage doesn't change.

Learn more about home equity loans >

Cash-out refinance

With a cash-out refinance, you replace your existing mortgage with a new, larger one. You get the difference between the new loan and your current mortgage balance as cash.

Learn more about cash-out refinances >

Another option: Home equity line of credit

If you're interested in using home equity but would prefer to take cash out over time, as you need it, a home equity line of credit (HELOC) might be right for you. HELOCs have variable rates and flexible repayment options. They also come with the option to lock in a fixed rate.

Learn more about home equity lines of credit >

Find out more about home equity and refinancing.

Get to know your home equity options

Learn more about the differences between cash-out refinancing and home equity loans and lines.

See a side-by-side comparison >

What is a cash-out refinance?

Here's what you need to know before deciding if cash-out refinancing is the right product for you.

Get more info on refinancing >

TAKE THE NEXT STEP

Find a mortgage loan officer >

Call 855-815-8894 >

Disclosures

Loan approval is subject to credit approval and program guidelines. Not all loan programs are available in all states for all loan amounts. Interest rate and program terms are subject to change without notice. Mortgage, home equity and credit products are offered through U.S. Bank National Association. Deposit products are offered through U.S. Bank National Association. Member FDIC.

Equal Housing Lender

1. Annual percentage rate (APR) represents the true yearly cost of your loan, including any fees or costs in addition to the actual interest you pay to the lender. The APR may be increased after the closing date for adjustable-rate mortgage (ARM) loans.
2. **Home Equity Loan:** Fixed rates reflected in the calculator reflect today's offered rate. Rates vary based on property location, loan-to-value, credit scores or other loan amount. The rate above assumes a credit score of 740. The loan-to-value used includes the total loan amount of both your current outstanding loan amount and how much you would like to borrow divided by the property value you provided, which is subject to verification during credit approval. The maximum LTV for a home equity loan is 80%. Payment example is provided based on the selected term in the calculator and does not include amounts for taxes and insurance premiums. The monthly payment obligation will be greater if taxes and insurance are included, and an initial client deposit may be required if an escrow account for these items is established. Home equity loans not available for properties held in a trust in the states of Hawaii, Louisiana, New York, Oklahoma and Rhode Island. Loan approval is subject to credit approval and program guidelines. Not all loan programs are available in all states for all loan amounts. Interest rates and program terms are subject to change without notice. Property insurance is required. Other restrictions may apply.

   In order to receive the lowest rate advertised, a set-up of automatic payments from a U.S. Bank personal checking or savings account is required but neither are required for loan approval. Clients in certain states are eligible to receive the preferred rate without having automatic payments from a U.S. Bank personal checking or savings account.
3. **Cash-out Refinance:** Fixed rates reflected in the calculator reflect today's offered rate and are based on borrower-paid finance charges of 0.862% of the base loan amount. Rates reflect current cash-out refinance of a single-family primary residence on a 45-day lock period. These rates are not guaranteed and are subject to change. Rates vary based on property location, loan-to-value, credit scores or other loan amount. The rate above assumes a credit score of 740. The loan-to-value used includes the total loan amount of both your current outstanding loan amount and how much you would like to borrow divided by the property value you provided, which is subject to verification during credit approval. The maximum LTV for a cash-out refinance is 80%. Payment example is provided based on the selected term in the calculator and does not include amounts for taxes and insurance premiums. The monthly payment obligation will be greater if taxes and insurance are included, and an initial client deposit may be required if an escrow account for these items is established. Loan approval is subject to credit approval and program guidelines. Not all loan programs are available in all states for all loan amounts. Interest rates and program terms are subject to change without notice. Property insurance is required. Other restrictions may apply.

To lock a rate, you must submit an application to U.S. Bank and receive confirmation from a mortgage loan officer that your rate is locked. An application can be made by calling 855-697-1079, by starting it online or by meeting with a mortgage loan officer.

Minnesota properties: To guarantee a rate, you must receive written confirmation as required by Minnesota Statute 47.206. This statement of current loan terms and conditions is not an offer to enter into an interest rate or discount point agreement. Any such offer may be made only pursuant to subdivisions 3 and 4 of Minnesota Statutes Section 47.206.

Calculators are for educational purposes only and may not reflect U.S. Bank product terms. The results are estimates based on the information you provide and cannot be used by U.S. Bank to determine your eligibility for a specific product or service. U.S. Bank does not guarantee the accuracy of the information provided by the calculator and expressly disclaims all liability for damages of any kind arising out of the use or reliance on the information provided by such informational calculators.

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