

Calculating a 125% Home Loan

#2

How much money can you get from a 125% loan on your home?
This is the way that you can calculate it:

| | Example | Your Situation |
|---|-----------|----------------|
| 1. Write down the current value of your home. | \$100,000 | |
| 2. Multiply the value on Line 1 by 1.25. | \$125,000 | |
| 3. Enter the current balance of your existing mortgage. | \$ 65,000 | |
| 4. Deduct Line 3 from Line 2: this is how much money you can receive. | \$ 60,000 | |