

THE AdvisorEDGE



KEEPING YOU A STEP
AHEAD WITH INTEGRATED
BANKING SERVICES.

IN THIS ISSUE:

The benefits of leveraging the equity of your portfolio rather than your home.

A Securities-Backed Line of Credit (SBLOC) can be a faster and less expensive path to liquidity than a Home Equity Loan.

The need or desire for cash can arise at any time. When it does, your first thought may be to leverage the equity you've amassed in your home as collateral for a Home Equity Loan. Working with your trusted financial advisor will give you another option. You may leverage the value of your investment portfolio with a powerful financial tool: a Securities-Backed Line of Credit (SBLOC).

THE SBLOC SOLUTION:

Talk to your financial advisor; you'll learn about the financial and time-saving benefits of taking out an SBLOC, which uses your investment portfolio as collateral instead of your home. When looked at side by side, the advantages of an SBLOC can be substantial:

NO FEES – Fees accompanying a Home Equity Loan can be considerable. There are no application, monthly, or annual maintenance fees associated with an SBLOC.

SBLOC Fast Facts

- An interest-only revolving credit line backed by securities held in your investment portfolio.
- Your investment strategies remain untouched while providing you with access to needed funds.
- May eliminate the potential tax consequences of liquidating assets.
- Available to individuals, trusts and entities (entity process/pricing may differ).
- No income verification required for a personal or trust SBLOC.



SIMPLE APPLICATION AND UNDERWRITING PROCESS – Home Equity Loan applications can be burdensome and feel intrusive and the underwriting process can be lengthy.

SPEED – Average processing time for an SBLOC is 15 days; a Home Equity Loan may take twice as long.

NO CREDIT AGENCY REPORTING – A Home Equity Loan may be reported monthly to credit bureaus. An SBLOC does not impact monthly credit reporting.

AN EASY VALUATION PROCESS – Obtaining an appraisal to determine the amount a client can borrow can be cumbersome. The available drawing power of an SBLOC is calculated based on the underlying assets in the pledged investment account.

Contact your financial advisor to learn more about how an SBLOC could be beneficial to you.

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