



## Hidden Money in Your House – Understanding, Building, and Accessing Home Equity

Your home is more than the place you live. It's also an important way to build wealth. We show you how to assess, improve, and use your home equity to build a stronger financial future.

If you own a home, building home equity — the value of your home minus what you owe on your mortgage — is an important long-term strategy for building wealth. That's because home equity is a resource you can borrow against to pay off debt or make investments that help your money grow. With this in mind, you may be wondering how much equity you have in your home, how you can access it, and how you can use it to build your financial future.

### What Is Your Equity?

Equity is the difference between what you owe on your mortgage (the principal) and what your home is currently worth. The simple math equation looks like this:

Current Value of Your Home – Principal Balance of Mortgage Loan = Equity

If your home is worth \$250,000 and you owe \$150,000 on your mortgage, you have \$100,000 in equity.

Because homes generally increase in value over time, the more that you pay down your mortgage, the greater the equity. Over time, there are many ways that you can take advantage of the equity in your home.

- Equity is considered an asset and counts toward your total net worth.
- When you sell your home, your equity allows you to make a profit.
- Equity can be cashed out in a loan refinance or borrowed against as collateral. You can use the available funds to pay down debt, renovate, or buy a second home or income property.

### Smart Ways to Build Home Equity

Every time that you make your regular mortgage payment, you're building equity. However, if you want to accelerate the process, you can take these steps.

- Pay Down Your Principal- If your budget allows, try paying a little extra each month and earmark that payment to go toward your principal. Options include making an extra lump-sum payment per year, switching to biweekly payments, or rounding up your payment.



### TAP INTO YOUR HOMES POTENTIAL

Looking to make some home improvements? Ask one of our friendly loan officers about a Home Equity Line of Credit.

### Dividend News

The dividends paid on all regular shares for the first quarter of 2025 will be distributed as follows:

Share Account Balance	Rate*	APY**
\$0 to \$24.99	0.00%	0.00%
\$25 to \$9,999.99	0.25%	0.25%
\$10,000 and over	0.30%	0.30%

\*Rate - disclosed as Annual Percentage Rate

\*\*APY - disclosed as Annual Percentage Yield

**Financial Facts** As of January 31, 2025

Members	14,674
Assets	\$162,424,420
Shares	\$143,925,335
Consumer Loans	\$128,330,072
Business Loans (26)	\$3,641,981

### Volunteer Opportunities at SCCU

If you enjoy helping others by giving your time and talent, we'd like to hear from you! SCCU is a not-for-profit financial cooperative, which is made up of a 5-member Board of Directors and various committees -- all of whom are volunteers from our membership. If you are interested in volunteering at SCCU, please send a brief resume to:

Scenic Community Credit Union  
ATTN: Board of Directors  
PO Box 1058  
Hixson, TN 37343



## Holiday Closings

All branches of SCCU will be closed on the following days:

### MEMORIAL DAY

Monday, May 26, 2025

### JUNETEENTH

Thursday, June 19, 2025

### INDEPENDENCE DAY

Friday, July 4, 2025

## Fee Schedule Notice

Our fee schedule is available for viewing at any time. Visit [mysccu.com/services](http://mysccu.com/services), or stop by any branch to get a hard copy. We can also mail you a copy at your request; just give us a call at **(423) 875-6955**.

- Own Your Home Five Years or More - While the real estate market can fluctuate from year to year, the longer you stay in your home, the more you will see an increase in value. Also, when you first start paying your mortgage, you'll be paying more toward the interest than the principal. The longer you stay in your home and make your mortgage payments, the more principal you'll pay off and the more equity you'll build.
- Renovate - You can help boost your home's value by keeping your home in good repair and making strategic improvements. While the kinds of renovations that add value vary from area to area, most real estate agents agree that improving curb appeal, opening up floor plans, and making cosmetic improvements to kitchens and bathrooms provide the greatest return on investment.

## How to Use Your Home Equity

Once you've built up equity, how can you use it? You could simply sell your home for a profit, or you can use one of these methods to draw on the equity while staying where you are. Ask about our Home Equity Line of Credit or consider a cash-out refinance or reverse mortgage. Before considering any strategy involving your home equity, stop by and speak with one of our loan officers to understand each approach's benefits and challenges.

# FRIENDSHIP PAYS. LITERALLY.

**REFER A FRIEND AND YOU'LL BOTH GET \$50 WHEN THEY OPEN AND  
QUALIFY FOR AN ACCOUNT. EARN UP TO \$500 A YEAR!**

**SCENIC  
COMMUNITY**  
CREDIT UNION



**SCAN TO  
START  
REFERRING!**



Make \$50 per qualifying referral, up to \$500 per calendar year. Visit [mysccu.com](http://mysccu.com) or ask a teller for more information. Federally insured by the NCUA.