

Factsheet

HELOCs remain key mortgage portfolio growth driver in 2025

Leverage the Mortgagebot suite to approve home equity lines of credit in minutes and close them in as few as 5 days.

Home equity lines of credit represent one of the best ways for homeowners to finance home improvements and non-real estate purchases. With record amounts of equity available to homeowners, HELOCs are attractive because of their:

Flexibility

Use the line as much or as little as needed; borrow and repay and borrow again whenever convenient. This is an attractive option for significant periodic expenses such as college tuition, medical bills, and consolidating higher cost debt.

10% Growth in HELOC balances expected in 2025.

Cost

HELOC interest rates are frequently lower than home equity or cash-out refi loans which are tied to longer-term market rates. And personal loans / credit card rates average well over 20%, making them much less attractive for larger purchases. But HELOC rates can jump both up and down, so borrowers must be prepared for some volatility.

Equity impact

HELOCs are commonly used to finance home improvements which can increase the value of the home.

Tax advantages

When used for real estate purposes such as home improvements, HELOC interest expense may be tax-deductible.



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HELOCs remain a terrific growth opportunity in today's slow first mortgage market. Helping people unlock home equity enables them to live their dreams."

Mary Kay Theriault
Senior Director Product Management,
Finastra

Finastra can help you build your HELOC portfolio efficiently and profitably.

Leverage Mortgagebot’s market-leading, time-tested, fully digital solution that delivers results fast.

14% US HOMEOWNERS using HELOC today¹

\$320K AVERAGE AMOUNT of equity homeowners possess²

7.25% PREDICTED AVERAGE HELOC interest rate for 2025³

1. <https://www.experian.com/blogs/ask-experian/research/homeowners-tap-helocs-as-interest-rates-rise/>
2. <https://www.cbsnews.com/news/heloc-interest-rate-pros-and-cons-to-know-for-2025/3>
3. <https://www.bankrate.com/home-equity/why-more-people-are-taking-out-helocs/>

Faster closings

Accelerate time to close with Finastra’s state of the art hand-in-glove POS LOS integration

Configurable Workflows

Leverage a highly efficient process featuring fully configurable application paths in sync with your underwriting preferences.

Seamless Mobile UX

Provide customers with an elegant, intuitive POS experience that enables them to submit required documents with the ease of a mobile phone interface.

Instant Approvals

Deliver instant approvals via PowerApprove, Finastra’s rules-based mortgage loan underwriting engine.

Real-Time Updates

Keep customers engaged and improve application completion rates with real-time loan status messaging.

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