





Overview

- TD's 2016 HELOC survey focuses on understanding both HELOC Users as well as Non-Users, and addresses topics such as sources of information, product use and considerations.

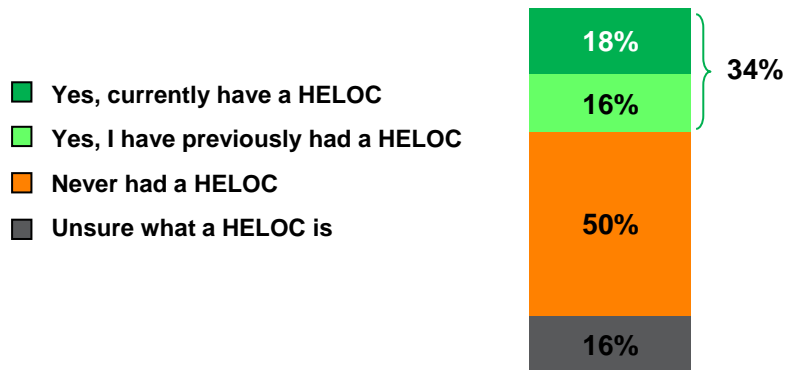
Methodology






- The total sample includes 1365 home owners. Sample includes boosters for:
 - Hispanic (153)
 - NYC (104)
 - Boston (101)
 - Philadelphia (100)
 - Florida (100)
- Data has been weighted by age, gender and region to reflect the population.
- The survey was fielded December 29th 2015 – January 8th 2016

- This report presents the findings in summary charts and tables. The statistical cross-tabulations are reported under separate cover.
- Significance is tested at 90% confidence interval and is represented by circles: significantly higher  significantly lower 

HELOC Ownership

- Overall, one-third indicate having, or previously having, a HELOC. NYC residents are more likely to currently have a HELOC.



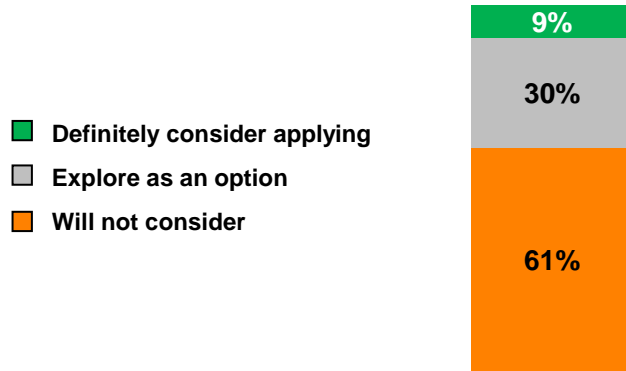
	NYC	Boston	Philly	Florida	Hispanic
	 26%	12%	18%	14%	18%
	13%	21%	21%	21%	12%
	50%	52%	52%	52%	42%
	11%	16%	10%	13%	28%

Have/Had HELOC	39%	33%	39%	35%	30%
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Consideration and Next Steps

Likelihood to Apply for a HELOC in Next 12-18 Months

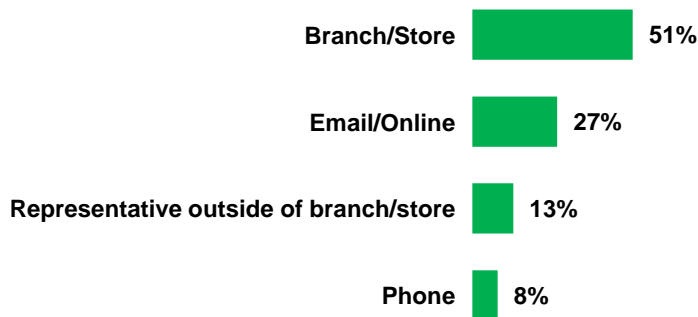
- Over one third indicate that they would at least explore applying for a HELOC in the next 12-18 months. Consideration is higher among those with experience.



	NYC	Boston	Philly	Florida	Hispanic	User	Non User
Definitely consider applying	13%	7%	10%	8%	10%	21%	5%
Explore as an option	25%	28%	28%	25%	36%	37%	28%
Will not consider	61%	65%	62%	66%	54%	41%	66%

Next Steps Toward a HELOC

- When taking the next step, an in person application is the most likely channel. This is especially true for first time HELOC buyers.

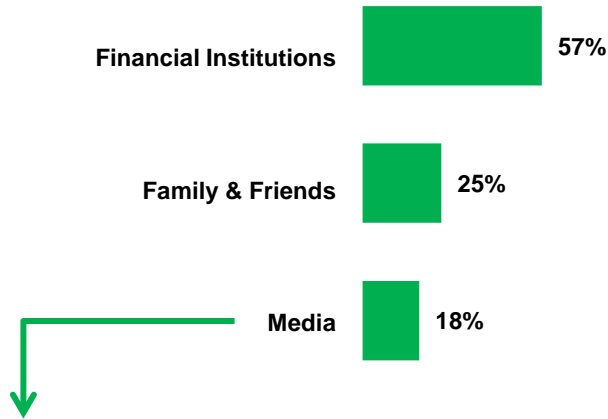


	NYC	Boston	Philly	Florida	Hispanic	User	Non User
Branch/Store	49%	51%	51%	61%	54%	46%	54%
Email/Online	26%	27%	28%	26%	25%	27%	27%
Representative outside of branch/store	14%	14%	11%	9%	16%	14%	13%
Phone	10%	8%	10%	4%	5%	12%	6%

Primary Sources of Information

Primary Source of Information for Financing Solutions

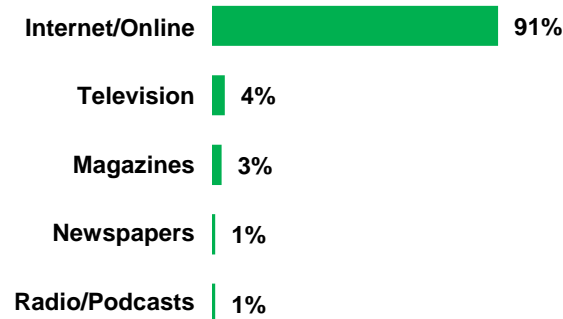
- When thinking about a home renovation or purchase, Financial Institutions are the top source of information. Media would be the primary source for about 1-in-5.



NYC	Boston	Philly	Florida	Hispanic	User	Non User
47%	68%	56%	64%	56%	61%	55%
31%	16%	22%	18%	24%	22%	27%
23%	16%	22%	18%	20%	17%	18%

Media Most Likely to Use when Researching Financing Solutions

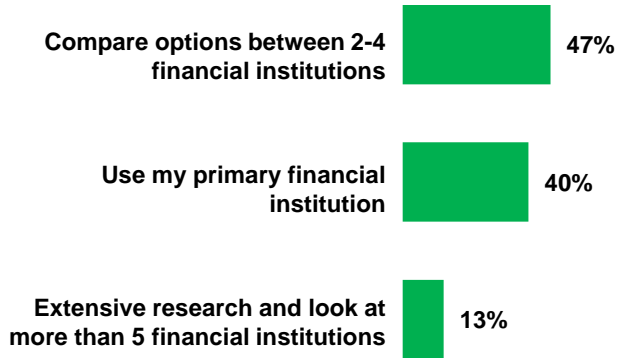
- Among those who would use Media as their primary source of information, the Internet is the go-to channel.



Research Process and Considerations

Number of Financial Institutions Examined When Researching

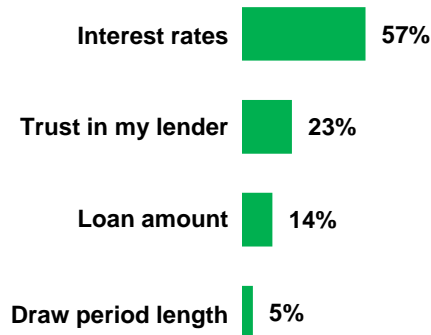
- Overall 60% compare institutions when researching home equity loan options. Those with experience are more likely to go to their primary institution.



	NYC	Boston	Philly	Florida	Hispanic	User	Non-User
Compare options between 2-4 financial institutions	44%	56%	62%	43%	46%	42%	50%
Use my primary financial institution	43%	35%	30%	41%	41%	50%	34%
Extensive research and look at more than 5 financial institutions	13%	9%	8%	16%	13%	8%	16%

Most Influential Factors in Decision (Rank 1st)

- Interest rates are the biggest factor in choosing the right HELOC. HELOC Users are more likely to value trust in their lender than Non-Users.

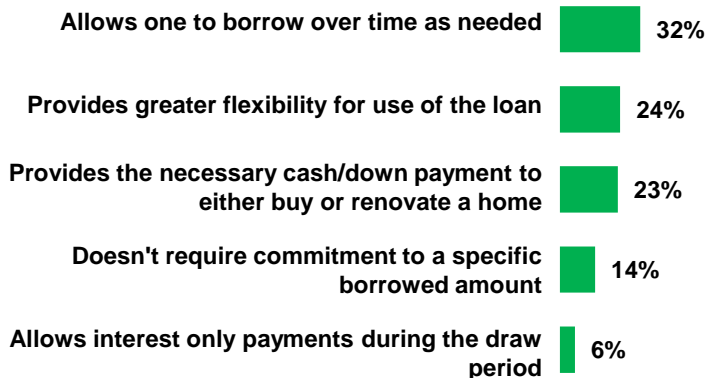


	NYC	Boston	Philly	Florida	Hispanic	User	Non-User
Interest rates	53%	61%	65%	66%	58%	50%	61%
Trust in my lender	31%	23%	17%	20%	24%	27%	21%
Loan amount	11%	14%	16%	11%	16%	14%	14%
Draw period length	5%	2%	2%	4%	3%	8%	3%

The Value of a HELOC & It's Uses

Value Most About HELOC

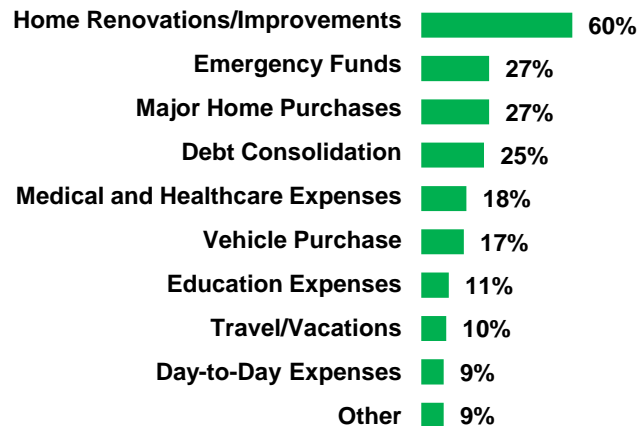
- Borrowing over time is most valued, followed by flexibility and providing necessary down payments.



	NYC	Boston	Philly	Florida	Hispanic	User	Non-User
Allows one to borrow over time as needed	37%	29%	28%	25%	31%	29%	33%
Provides greater flexibility for use of the loan	20%	24%	30%	34%	25%	23%	25%
Provides the necessary cash/down payment to either buy or renovate a home	27%	23%	21%	12%	29%	28%	21%
Doesn't require commitment to a specific borrowed amount	13%	14%	17%	17%	13%	14%	15%
Allows interest only payments during the draw period	3%	11%	4%	12%	3%	5%	6%

Uses of HELOC

- 60% would use a HELOC for home renovations or improvements. While usage intent is focused, actual usage among those with experience crosses multiple items.



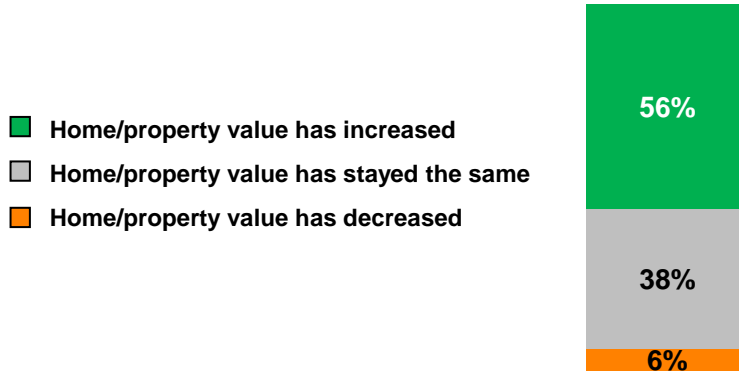
	NYC	Boston	Philly	Florida	Hispanic	User	Non-User
Home Renovations/Improvements	50%	64%	72%	59%	67%	62%	59%
Emergency Funds	27%	28%	30%	22%	33%	36%	23%
Major Home Purchases	30%	25%	28%	18%	25%	36%	23%
Debt Consolidation	35%	25%	33%	27%	32%	32%	22%
Medical and Healthcare Expenses	22%	13%	15%	16%	22%	25%	14%
Vehicle Purchase	16%	12%	11%	23%	23%	27%	12%
Education Expenses	15%	7%	6%	8%	16%	21%	6%
Travel/Vacations	14%	10%	6%	9%	12%	19%	6%
Day-to-Day Expenses	14%	3%	3%	8%	15%	18%	5%
Other	6%	15%	7%	8%	5%	6%	11%

Q9. What do you/would you value most about using a Home Equity Line of Credit (HELOC) as opposed to other payment options?
 Q10. What specifically have you or would you use a HELOC Home Equity Line of Credit (HELOC) for?

Home/Property Value and Loan Consideration

Home/Property Value Over Last 12-18 Months

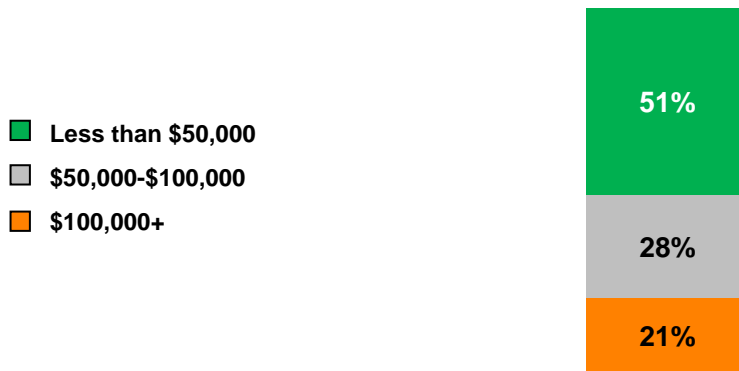
- Over half (56%) feel their home value has increased in the last 12-18 months. This increases to nearly three quarters (72%) among those with current or past HELOC experience.



	NYC	Boston	Philly	Florida	Hispanic	User	Non-User
■ Home/property value has increased	52%	59%	51%	68%	66%	72%	49%
■ Home/property value has stayed the same	46%	28%	42%	26%	32%	25%	45%
■ Home/property value has decreased	2%	13%	7%	5%	2%	3%	7%

Size of Loan When Applying/Considering HELOC

- Half of homeowners would be looking for a loan amount of less than \$50,000. Those in NYC and HELOC users are more likely to look for a HELOC that is \$100,000 or more.



	NYC	Boston	Philly	Florida	Hispanic	User	Non-User
■ Less than \$50,000	45%	55%	53%	62%	40%	32%	61%
■ \$50,000-\$100,000	24%	27%	32%	29%	32%	32%	27%
■ \$100,000+	31%	18%	16%	9%	28%	36%	13%

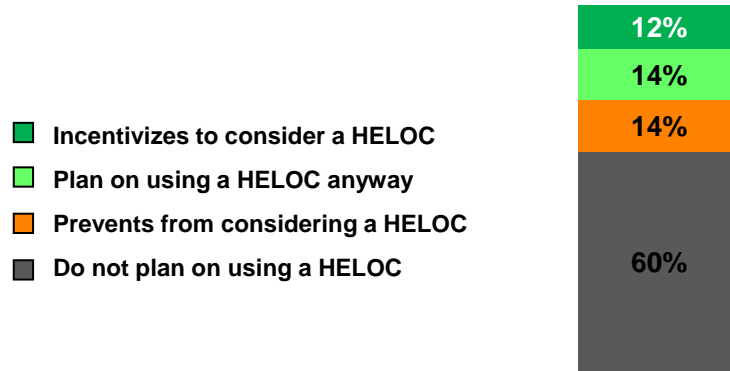
Q11. Which of the following is most applicable to your home/property value over the last 12 to 18 months?

Q12. What size of loan would you look to apply for if considering or using a Home Equity Line of Credit (HELOC)?

Impact of Federal Reserve Raising Lending Rates

Impact on Consideration on HELOC Due to Federal Reserve Raising Lending Rates (NON USERS)

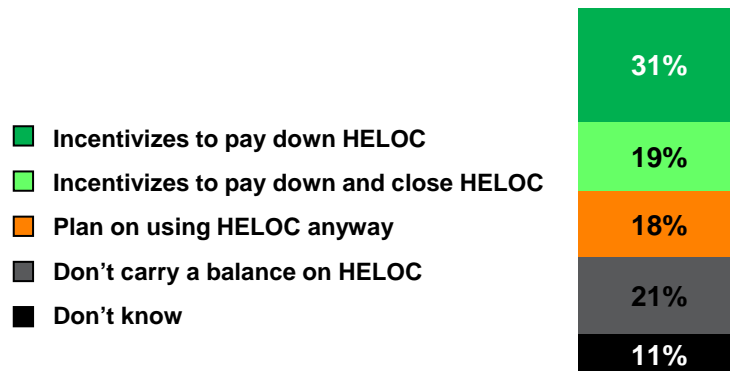
- While 60% do not plan on using a HELOC, 1-in-4 (26%) will go through with a HELOC or feel incentivized to do so even with the Federal Reserve raising lending rates.



	NYC	Boston	Philly	Florida	Hispanic
■	12%	9%	17%	5%	17%
■	12%	9%	12%	19%	15%
■	12%	18%	7%	16%	18%
■	63%	64%	64%	60%	49%

Impact on Paying Down HELOC Due to Federal Reserve Raising Lending Rates (USERS)

- Over half feel incentivized to pay down HELOC given the increase in lending rates.
- This increases to 63% among those carrying a balance.



	NYC	Boston	Philly	Florida	Hispanic
■	46%	12%	24%	26%	43%
■	15%	6%	7%	23%	26%
■	17%	30%	33%	5%	19%
■	17%	33%	17%	34%	7%
■	4%	19%	19%	12%	5%

Q13. The recent interest rate increase by the Federal Reserve has increased home lending rates for the first time in 7 years. Does this impact your decision to consider a Home Equity Line of Credit (HELOC) within the next 18 months?

Q14. The recent interest rate increase by the Federal Reserve has increased home lending rates for the first time in 7 years. Does this impact your decision to pay down your Home Equity Line of Credit (HELOC) within the next 18 months?

Current HELOC Draw Periods (Current Users)

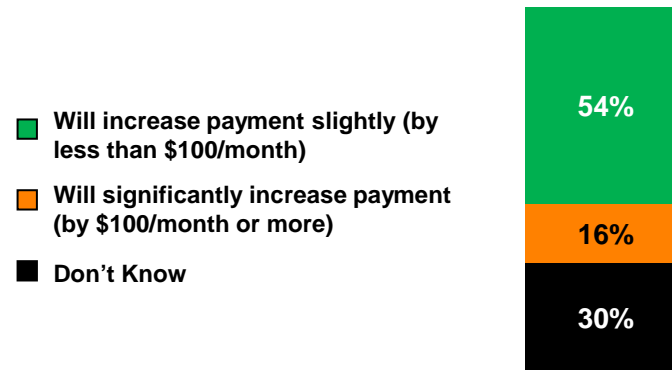
Understanding of When Draw Period Expires

- One half will have their draw period expire within 5 years.



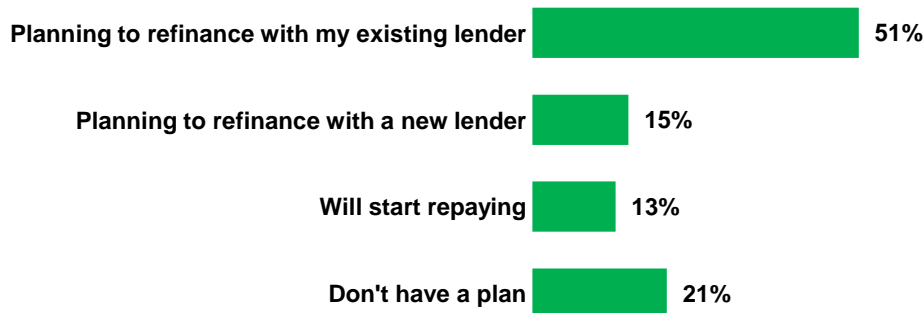
Impact of Expiration on Monthly Repayment

- Over half indicate that their payment will increase slightly when their HELOC draw period is up. 30% just don't know.



Plans Following Draw Period

- As the draw period is ending, half are planning to refinance with an existing lender. 1-in-5 do not have a plan.



Q15. Do you know when the draw period for your current Home Equity Line of Credit (HELOC) expires?

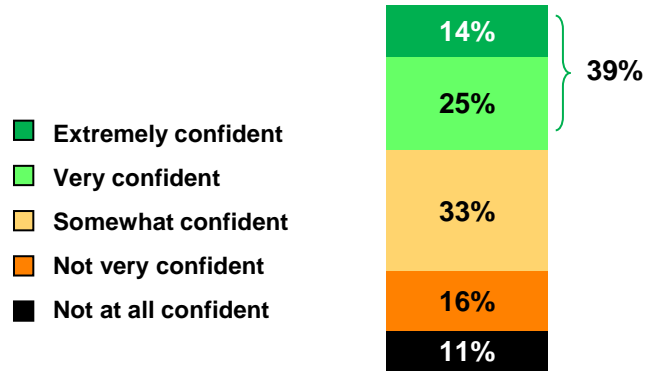
Q16. What impact will the expiration of your Home Equity Line of Credit (HELOC) draw period have on your monthly repayment?

Q17. As your draw period ends what are your plans?

Confidence

Confidence in Knowledge of HELOC Loans

- Overall 4-in-10 are very or extremely confident in their knowledge of HELOC loans and how to use them.



	NYC	Boston	Philly	Florida	Hispanic	User	Non-User
Extremely confident	21%	6%	6%	9%	21%	26%	8%
Very confident	22%	31%	30%	32%	21%	41%	17%
Somewhat confident	32%	38%	32%	34%	24%	26%	37%
Not very confident	14%	15%	19%	15%	21%	5%	22%
Not at all confident	11%	10%	14%	11%	14%	1%	17%
Top 2 Box	43%	37%	36%	40%	42%	67%	25%

Current State of Economy on Confidence to Buy/Renovate Home

- It's a wash – the current state of the U.S. economy leaves as many more confident as it does less confident to buy or make home renovations.

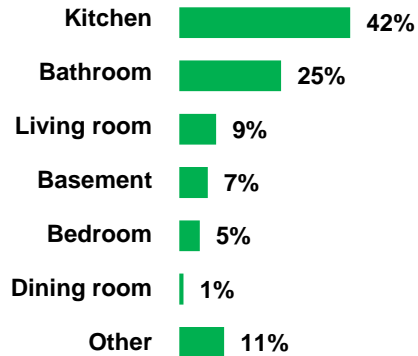


	NYC	Boston	Philly	Florida	Hispanic	User	Non-User
More confident to buy/make renovations	41%	17%	15%	27%	38%	47%	17%
Less confident to buy/make renovations	17%	32%	39%	23%	29%	23%	32%
Neither	42%	51%	46%	50%	34%	30%	51%

Home Renovations

First Renovation in Home Would Be...

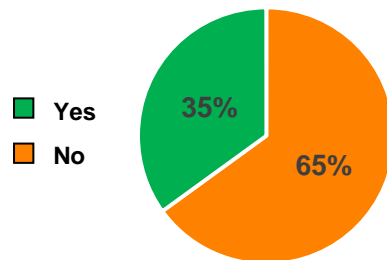
- 42% of homeowners would renovate the kitchen first, followed by one quarter wanting to renovate the bathroom.



	NYC	Boston	Philly	Florida	Hispanic	User	Non-User
Kitchen	41%	46%	40%	33%	48%	39%	43%
Bathroom	28%	22%	30%	35%	22%	24%	25%
Living room	11%	11%	4%	10%	9%	12%	8%
Basement	9%	6%	14%	1%	8%	10%	6%
Bedroom	3%	5%	2%	8%	3%	5%	4%
Dining room	1%	0%	1%	0%	2%	3%	0%
Other	6%	11%	8%	13%	9%	8%	13%

Consider Adding an Addition to Home

- Over one-third would consider adding an addition to their home, higher among Hispanics and HELOC users.



	NYC	Boston	Philly	Florida	Hispanic	User	Non-User
Yes	33%	26%	24%	31%	53%	42%	32%
No	67%	74%	76%	69%	47%	58%	68%

