



When Should you Refinance?

When you refinance your home, you replace your current mortgage with a new loan that may have more favorable terms. You can lower your monthly payments if current interest rates are below the rate on your mortgage. You may choose to refinance in order to take advantage of a different type of mortgage, such as a fixed rate versus an adjustable rate mortgage. Spreading out payments over 30 years, instead of 15 will also reduce your monthly payment. When you refinance, you can choose to borrow just enough to pay off the mortgage balance you owe. If you have enough equity, you may be able to borrow an additional amount through a "cash-out" refinancing. You can use this cash to pay off other debts, such as an auto loan, credit card balances, or for other purposes. Before you refinance, be sure to consider all the costs of refinancing, including closing costs, application costs and loss of tax-deductible mortgage interest. Refinancing can help you reach your financial goals by lowering your monthly payment, consolidating your consumer debt and combining monthly payments.

Does Your Mortgage Have An Adjustable Rate?

Make Sure You Won't Have a Higher Payment

If you financed your home with an adjustable-rate mortgage (ARM) in the last 7 years, your mortgage interest rate may soon change. Don't get stuck with higher payments. You should review your current mortgage program so you know where you stand and the options available. If refinancing to a new program is for you, it may help you accomplish one or more of the following:

- Lower or fix your monthly mortgage payments
- Get an interest rate or loan term more suited to your needs
- Pay off high-interest debts

Finance Analysis

- Review your existing loan terms and interest rate.
- Determine if your monthly payments are about to increase.
- Explore more available options.
- Decide if the time is right to refinance.

I encourage you to e-mail me at ndurst@p-s-b.com or call me at 309-693-9494 ext 404 if you have interest in other topics pertaining to the mortgage industry.



142 East Main Street
P.O. Box 409
Princeville, IL 61559
(888) 385-4375

Shoppes at Grand Prairie
4924 West American Prairie Dr.
Peoria, IL 61615
(309) 693-9494

