

# TIPS FOR REFINANCING A HOME

**PROVIDED TO YOU BY WRIGHT LAW OFFICES**

**Charlene Pederson, Esq., Wright Law Offices, 88 Trap Falls Road, Shelton, CT 06484  
203-881-3131    wrightlawct@gmail.com**



1. Borrowers may consider refinancing to reduce monthly payments, avoid balloon payments, convert a variable loan rate to a fixed, banish private mortgage insurance (PMI), or cash out a portion of the home's equity.
2. Know if there are penalties as a result of paying down your existing mortgage to ensure that you benefit financially.
3. Although most people refinance with the original lender, shop around for the best interest rate and lowest fees.
4. Look at long term savings and not just upfront costs to refinance, consider how long you anticipate living in your home, and estimate how long it will take to recover the closing costs you will incur.
5. Make sure that you are able to make all loan payments in full and on time, regardless of the mortgage to which you agree.
6. Ask questions, become informed, and consider the quality of service you will receive.
7. When you are ready to agree to a mortgage rate, have the lender "lock in" your rate quote in writing, so that if there are delays in the application process, you will receive the rate you expect.
8. Do everything possible to strengthen your credit score before you make application to refinance.
9. Between the time you apply for refinancing and the actual closing, do not make non-ordinary purchases on credit or incur debt. Lenders will do a second credit check just before closing.
10. Be patient. Sometimes it takes more time than you wish for all the paperwork to be completed and the refinancing process to take its course.

