

With Interest Rates Dropping,

# There Are Many Smart Reasons Why Refinancing Now May Make Good Sense



In a falling interest rate environment, it's a good idea to reassess your current mortgage to see if you can benefit from refinancing to a lower rate. Often, it's a sound financial choice that may allow you to:

- Reduce current monthly payments
- Save money over the life of your loan
- Pay off your mortgage faster
- Reduce interest rate risk by switching from an adjustable-rate to a fixed-rate loan
- Eliminate the need for Private Mortgage Insurance
- Free up cash for major expenses or to consolidate debts

The following chart provides an example of the savings that can be realized by refinancing at a lower interest rate.

For more information, call today.



## Example

The example below shows a \$150,000 30-year fixed rate loan at 8.75% interest and an **Annual Percentage Rate of 8.86%**. If this loan were refinanced to a 6.75% interest rate with an **Annual Percentage Rate of 6.85%**, this would translate into \$207 less a month on the principal and interest payment.

	Old Loan	New Loan
<b>Interest Rate</b>	8.75% / <b>8.86% APR</b>	6.75% / <b>6.85% APR</b>
<b>Current Balance*</b>	\$150,000	\$150,000
<b>Payment (Principal+Interest)*</b>	\$ 1,180	\$ 973

\*This example assumes a 20% down payment on the original loan and a 1.0% origination fee.

## Find Out How Much You Can Save

Contact us today for a personal savings analysis. This analysis will help you assess your situation to see if refinancing makes sense for you at this time. If it does, we'll be happy to discuss our refinance options and help you select the refinancing that best suits your immediate and long-term goals.