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[A Quick Guide to Using Mortgage Refinance Calculators](#)

Mortgage refinance calculators can seem complicated for first-time users but this guide will help you get the figures you need.

Step 1 Choose the right source.

The best mortgage refinance calculators are those provided by unbiased websites. If you see a link to any mortgage company in the website then there's a good possibility that the free online mortgage refinance calculator you're using is rigged to give results favorable to the company.

For more accurate results, you should also consider purchasing software that allows you to install your own mortgage refinance calculator in your computer.

Step 2 Choose the right type.

There's a lot of mortgage calculators available in the Internet so do make sure you're using the right one. Mortgage refinance calculators may also be known as second mortgage calculators. Some are also specially designed to work with fixed rate mortgages while others are designed to compute rates for variable rate mortgages.

Step 3 Get your data ready.

For quick results, make sure you've got all your data ready. Have a list of quotes from different mortgage providers. Be sure that you also know every pertinent figure regarding your existing mortgage as well as the various fees you might be charged with for taking out a second mortgage.

Step 4 Input figures.

Now that you've got everything you need on hand, it's time to input your figures.

Savings from Refinancing

There are usually two major categories used in mortgage refinance calculators. The first category requires you to input the necessary figures to compute how much you can save from refinancing.

You can see that there's practical value in learning more about Mortgage Refinance. Can you think of ways to apply what's been covered so far?

Current Monthly Payment

How much are you paying every month for your existing loan? Make sure you input the total figure and not just the interest or the amount of money you pay to deduct from the remaining loan balance.

Balance Left on Mortgage

If your creditor can't provide the exact figure then don't worry because this is fairly easy to compute. First, determine how many months you've been paying your loan dues. Now, deduct the amount of interest expense from your total monthly loan payment. Multiply the difference with the number of months you've been paying. Lastly, deduct the product from the amount of money you originally borrowed and the result will be the remaining loan balance.

Interest Rate

Mortgage refinance calculators will also require you to input the interest rates for your current and possibly second mortgage.

Loan Terms

Also for comparison, a mortgage refinance calculator will require you to indicate the number of years you're allowed to pay off your second mortgage as well as the number of years left on your existing mortgage.

How Much It Costs

This is the second category of figures used in mortgage refinance calculators and most of the figures used here could be provided by your future creditor.

Application Fees and Costs

Some mortgage companies charge borrowers with application fees, but this may be waived if you're eligible for a pre-approved loan. Other fees that may or may not be waived include document preparation, inspection, title search and insurance, credit check, local and miscellaneous fees.

Attorney Fees

Costs for second mortgage may require you to pay for the fees of your attorney as well as that of the mortgage company.

Step 5 Calculate

Upon keying in the necessary data, click Calculate or Enter in your mortgage refinance calculator and you'll find out how much your new monthly payment is, how much you're saving and how many months you can recoup your expenditures.

Now you can be a confident expert on Mortgage Refinance. OK, maybe not an expert. But you should have something to bring to the table next time you join a discussion on Mortgage Refinance.

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