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How Get the Go Signal for Mortgage Refinancing

If you have even a passing interest in the topic of Mortgage Refinance, then you should take a look at the following information. This enlightening article presents some of the latest news on the subject of Mortgage Refinance.

You hear all the talk about mortgage refinancing. You hear about people who have done it, then you get to hear from people you actually know who have done it. It seems to be the boom nowadays and you ask, why wouldn't it work for you?

You start to wonder if it could help in your present financial worries. You ask questions, you research and you compare rates. You go to your mortgage company, consult a lender and wait for his appraisal.

Then you hear advice: it's not for you.

Well, what do you do? How can you be eligible for mortgage refinancing? The truth is there are some simple steps can raise your chances of getting a good mortgage refinancing deal. Your lender may not discuss it with you, but come back to him after doing a couple of these steps and the story may be different.

These points tell you what to do so that you can turn it around. These steps will make you ready for refinancing.

Raise your equity to at least 10%

It is essential that you have enough home equity in order to be approved for mortgage refinancing. Build at least 10% in home equity. If your home equity is low, few, will approve you for refinancing. In some cases, you may even have to pay set amount of money in order to reach a favorable threshold, giving you the go signal to refinance.

Get a 2% interest rate.

Home refinance will work if you can get an interest rate that is 2% lower than the interest of your current loan.

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?

There is a good reason behind this rule: the savings on this interest will help you cover the up front costs you will eventually have to shell out in getting a new loan. The up front costs are usually high in getting a new loan with lower rates and longer term, so they should be in your calculations.

Check your plans for the future and see if you will break even with the costs in the duration of the term. If you find that you will be staying with your current mortgage much longer, then so much the better.

Settle late payments now.

Most lenders out there have a 12-month rule: they are more likely to approve your application for mortgage refinancing if you have no late payments for the past 12 months. They do this to assess your credibility and commitment as a borrower.

So check out your payment status now. You might discover that you are only a few payments off from being approved.

Improve your credit score

Study your credit reports for any negative items like wrong details and late payments. Dispute what you can and get your credit report up. You will be surprised what checking your reports and talking to your credit companies can do.

You will not get that low rate if you have not paid off any of that debt. Some may offer you a refinancing deal regardless of your bad credit standing, but it's possible that they will charge you higher fees and interests.

Only when you have done these steps should you reconsider mortgage refinancing. They may be small steps, but

you will be surprised with the improvement they would do for you in getting a good rate from lenders.

About the Author

By Anders Eriksson, feel free to visit his top ranked GVO affiliate site: [GVO](#)

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