

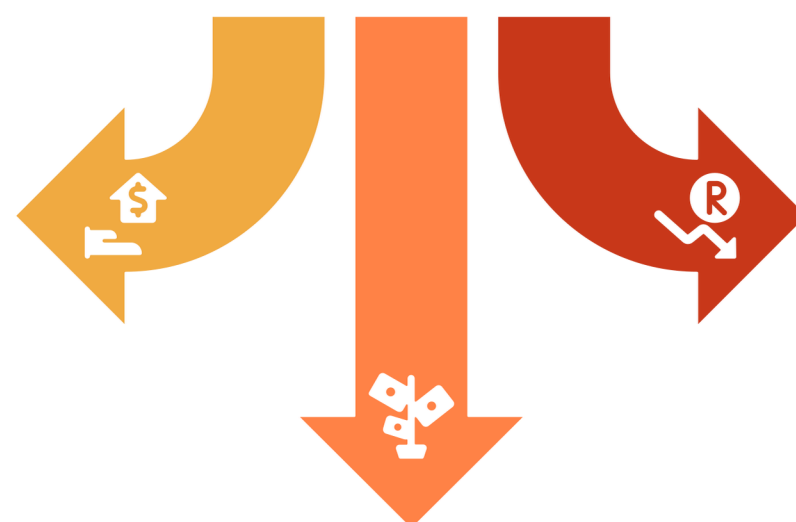
The Real Estate Investor's Refinance Cheat Sheet

This cheat sheet provides a concise guide for real estate investors looking to leverage refinancing to optimize their portfolios. It covers the basics of refinancing, different scenarios where it makes sense, key numbers to consider, a cash-out example, common mistakes to avoid, and a clear call to action to get instant refinance pricing. This resource aims to educate investors on how to pull cash out, lower payments, and build long-term wealth through strategic refinancing.

Should I refinance my real estate portfolio?

Refinance for Cash-Out

Access funds for new investments or expenses by leveraging equity.



Refinance to Lower Payments

Reduce monthly expenses and improve cash flow.

Refinance to Build Wealth

Optimize portfolio for long-term financial growth.

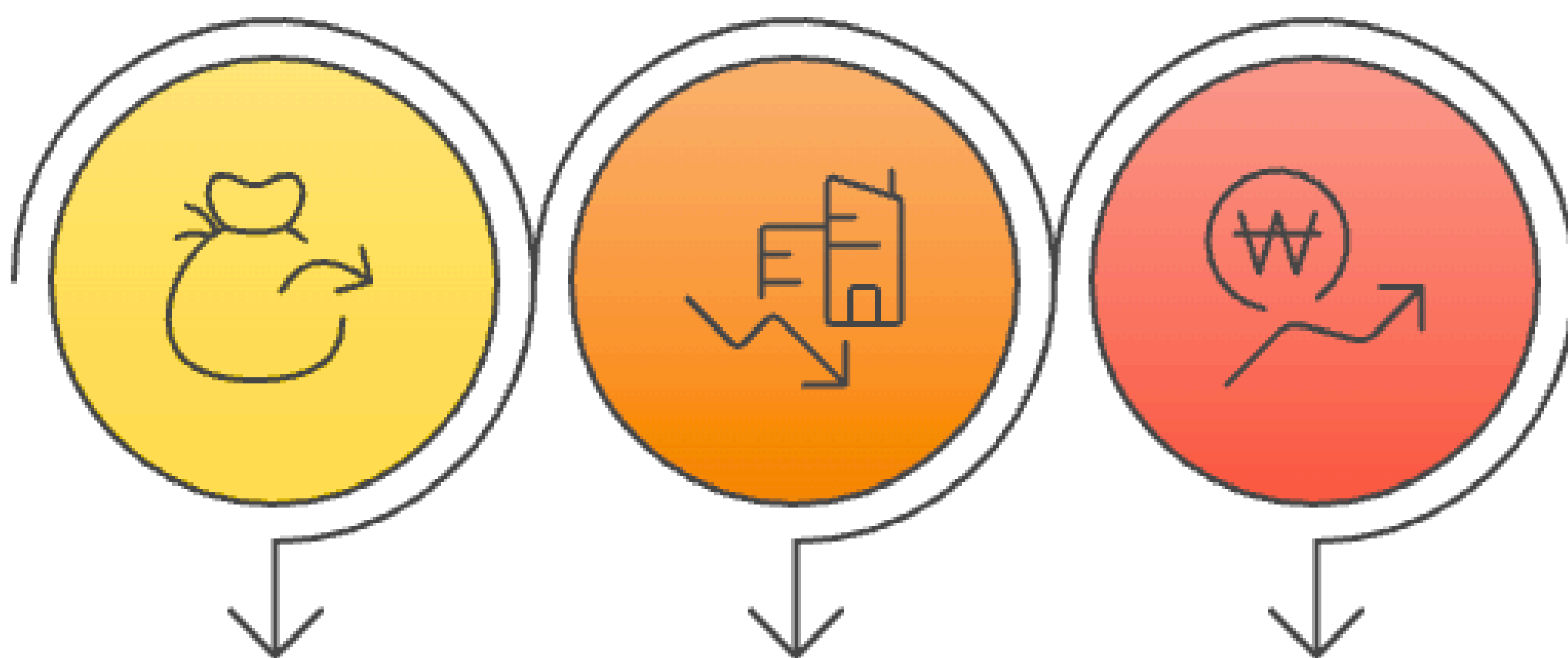
Refinancing 101 – The Fast Breakdown

Refinancing simply means replacing your existing mortgage with a new one. Investors do this for a variety of reasons, primarily to:

- Cash-Out: Access the equity built up in their properties.
- Better Rate: Secure a lower interest rate, reducing monthly payments.
- Free Up Capital: Re-deploy capital into new investment opportunities.

Here's a visual representation of these benefits:

Refinancing benefits



Lower payments

Refinancing can reduce your monthly expenses, freeing up cash.

Pull equity

Use the equity gained to fund your next real estate investment.

Lock in wealth

Refinancing can help optimize your long-term financial strategy.

When It Makes Sense to Refi

Use this table to quickly identify the best refinance option for your specific goals:

Scenario	Goal	Best Option
Rates dropped	Lower payment	Rate & Term
Home appreciated	Pull equity	Cash Out
Ready to scale	Reuse capital	DSCR Refi
Short-term debt	Stability	Bridge Loan

Pro Tip: If your property’s value went up by 15%+ or your current rate is 1% higher than market — it’s worth checking refi terms.

Key Numbers to Know

Understanding these key metrics is crucial for a successful refinance:

- LTV (Loan-to-Value): Up to 80% on DSCR loans.
- Minimum DSCR: 1.0–1.2x (Debt Service Coverage Ratio).
- FICO Range: 660+.
- Seasoning: 90 days from purchase.
- Docs Needed: 2 months bank statements; photo ID; entity documents; lease(s)

Use this checklist to gather your information:

- ☒ Property value
- ☒ Loan balance
- ☒ Rent income
- ☒ Estimated credit score

Cash-Out Example

Let's illustrate how a cash-out refinance works:

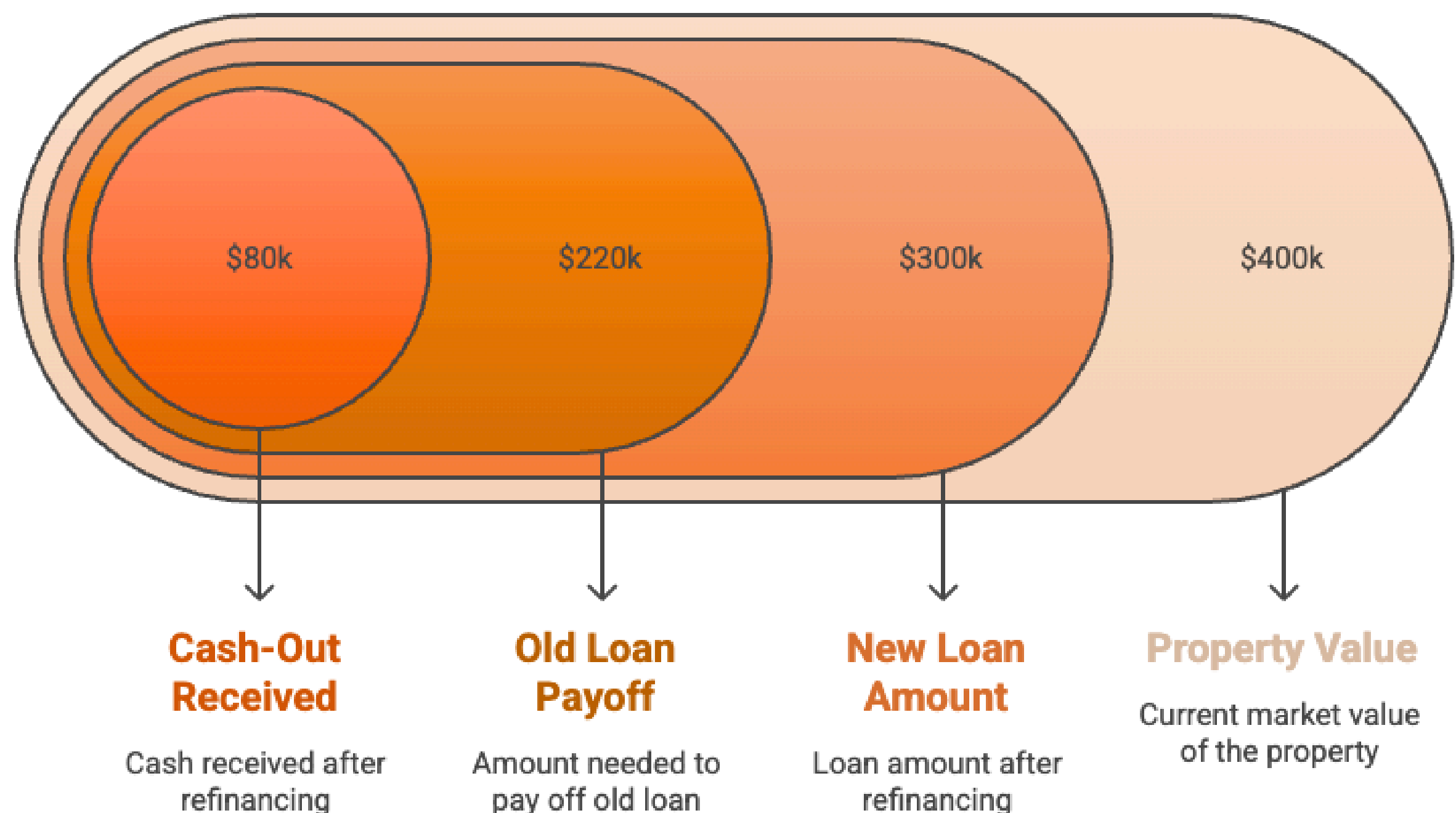
Example: You bought a property at \$300k, and it's now worth \$400k. You refinance at 75% LTV, resulting in a new loan of \$300k.

Old loan payoff: \$220k

Cash-out = \$80k in hand

This \$80k can be used for your next investment!


Cash-Out Refinance Example



Common Mistakes to Avoid

Be aware of these common pitfalls when refinancing:

- ✗ Refinancing too early: Less than 3 months seasoning can limit your options.
- ✗ Ignoring prepayment penalties: Factor these into your calculations.
- ✗ Not comparing DSCR vs conventional: Explore all available loan products.
- ✗ Forgetting to factor in closing costs: Include these in your overall assessment.

 Need clarity? Get a free refinance analysis in 5 minutes — no hard pull required.

Call 732.851.6900

Get Instant Refi Pricing in Minutes

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