

## **Mortgage Refinancing Isn't As Confusing As You Think It Is**

Mortgage rates are still low, which means you're probably considering refinancing your mortgage. Taking advantage of lower rates can save a lot of money in the long term, but finding the right mortgage to fit your situation can be a challenge. Here's a few things to keep in mind when considering a refinance to make the process easier and reduce stress.

### **Where to Look for Your Refinance**

The first step is figuring out where to actually apply for your mortgage. There are several options to choose from so this process can be daunting. If you're already a customer of a particular bank, that might be a good place to start if you're happy with the service there. If you're looking for the lowest rate possible, shop around at other financial institutions in your area or contact a mortgage broker to help you. Keep in mind that some financial institutions will sell your mortgage to a third party, so be sure to ask who your mortgage servicer will be when you contact them to ask questions.

### **What You'll Need to Provide to the Bank Once You're Approved**

This varies from institution to institution. If you're already a customer where you'll be refinancing your mortgage, you may find your institution has a streamlined process for refinances. If not, be prepared to provide tax returns for the past year or two, pay stubs, and proof of ownership of your house. You might also need to provide proof of insurance. Most places provide you with a list outlining exactly what you need and many will help you track down those documents as well.

### **Closing the Refinance and Post-closing Follow-up**

On closing day you'll be working with an attorney, as well as a loan closer who prepares the refinance paperwork. If you aren't sure about what you are signing, just ask questions and have your attorney or loan closer explain it. A few weeks after your refinance, you should receive a copy of the original note you signed for your previous mortgage as well as a copy of the discharge document that was recorded with your local deed registrar. If you don't get a copy of either within 4-6 weeks after your refinance, reach out to the institution that had your prior mortgage and ask them to send copies to you. These are important records and you should always have copies of them on file.

### **Conclusion**

Refinancing your mortgage can be a confusing process, but it doesn't have to be, as long as you're prepared for the process before you go through it. Knowing what to expect before you get to closing day can make things much less stressful since you'll know what you need to do before you do it. When all else fails, ask questions and don't be afraid to walk away from the refinance if you feel like something isn't right.