

Refinance Mortgage Loans Now, Before Record Low Interest Rates Rise

Are you considering whether its time to refinance mortgage loans? Then theres good news. As of July 16, 2009, mortgage interest rates have been dropping for three weeks straight. Rates briefly rose and seemed to presage a comeback, but then rates dropped to 5.14 percent. This is the lowest they have been since May 28. Although rates are higher than their record low of 4.78 percent, set on April 2, they are still attractively low, making the prospect of refinancing appealing.

More and more people are taking advantage of the ideal market to refinance mortgage loans. Some lenders are finding that only 60 percent of their business is people who want new mortgages. People who want to refinance mortgage loans represent up to 40 percent of the market at the moment.

If you are considering jumping on the bandwagon, here are a few things you should know:

- * Periods of low interest are excellent for fixed rate mortgages. They allow you to keep your low interest rate even when rates climb back to their former heights.
- * If you need to refinance mortgages to deal with a financial crisis, look into the federal programs started to help struggling homeowners. If you want to keep your home, but the mortgage is burdensome, lenders are willing to help you rewrite your mortgage with terms you can manage.
- * Be on the lookout for unethical lenders. Bad times bring out unethical lenders who prey on the desperate. Dont let yourself be one of them, no matter what your financial situation. Educate yourself on what reasonable mortgage terms look like. If a lender appears to be even slightly questionable, back out and find a new lender. A bad refinance will burden you with extra debt, possibly for the next 15 to 30 years.
- * To improve your prospects for a good mortgage, improve your credit rating. When you start a refinance, mortgage lenders check your credit rating to determine the likelihood that you will default, which in turn raises your interest rate. To lower the range of interest rates you are qualified to receive, check your credit report. Contest incorrect information on it, improve your ratio of credit used to credit available, and take whatever other actions you can afford to take to raise your credit rating.

Right now is an excellent time to refinance mortgage loans. Are you prepared? More info [Mortgage loan](#) -- [Mortgage calculator](#) -- [Mortgage rate](#) -- [Home mortgage](#) -- [Home loans](#) --

About the Author

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