

What are the benefits of home loan refinancing?

Refinancing your home loan is the process of getting a new loan to replace an existing one; this could be with the same lender through moving to a new product or switching to a new mortgage with a different lender. Eventhough the loan and bank may change; the property remains the same so you don't need to move or sell the property. It can be for your home or investment property.

Some of the reasons people refinance are:

- ✓ Getting a lower interest rate which means repaying your loan sooner or paying less on your mortgage each month.
- ✓ Consolidating smaller loans into the mortgage which has the effect of saving you thousands of dollars in paying only one loan instead of numerous loans each month. It could also save you money by avoiding monthly loan fees on multiple loans, administration fees, etc. This too has the impact of reducing your monthly financial commitment and freeing up cashflow.
- ✓ To use the equity in their property to help purchase another property, renovate their home, buy a car or invest. Usually, this type of finance is cheaper than finance which is not secured by property and therefore is considered a very cost-effective financing option.

If you wish to discuss your refinancing options, lower your monthly repayments or look to invest / buy property, please contact Chocolate Money on 1300 137 539 to receive tailored advice and options.