



# Refinancing *Your Mortgage*

Refinancing your mortgage can be done for a variety of reasons and, as your trusted mortgage advisor, I have seen them all! Refinancing is ideally done at the end of your mortgage term to avoid incurring any penalties, and can be done to achieve a variety of goals. For some individuals, refinancing can free up your existing home equity for a remodel or allows them to consolidate their debt. For others, it can be a source of funds to send their child off to college.

Regardless of why you are looking to refinance, there are some key benefits!

### 1. A Lower Interest Rate

Depending on where you are in your mortgage term, you could refinance to get a better rate –especially when done through a mortgage broker. On average, a mortgage broker has access to 90 lenders and is able to find you the best rate versus traditional banks which only have access to their own rate.

### 2. Consolidating Your Debt

When it comes to debt, there are many different types from credit cards to lines of credit to school loans to mortgages. However, many types of consumer debt have much higher interest rates than those you would pay on a mortgage. Refinancing can free up cash to help you pay out these debts. While it may increase your mortgage, your overall payments could be far lower and would be a single payment versus multiple sources. Keep in mind, you need at least 20 percent equity in your home to qualify.

### 3. Modifying Your Mortgage

The beauty of life is that it is ever-changing and sometimes you need to pay off your mortgage faster or change your mortgage type. Maybe you came into some extra money and want to put it towards your mortgage or maybe you are weary of the market and want to lock in at a fixed-rate for security. It is always best to do this when your mortgage term is up, but talk to a mortgage specialist about potential penalties if waiting is not possible.

### 4. Utilize Your Home Equity

One of the biggest reasons to buy in the first place is to build up equity in your home. Consider your home equity as the difference between your property's market value and the balance of your mortgage. If you need funds, you can refinance your mortgage to access up to 80% of your home's appraised value in cash!

*If you want to learn more about refinancing, your options and how to avoid or manage penalties, please contact me to set up an appointment today!*

**ALLAN MURRAY**  
Mortgage Agent Level 1  
Wolfpack Mortgage Solutions Team  
www.allanmurray.ca  
allanm@dominionlending.ca  
905-536-3154

