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Licensed to originate loans in 50 states.



Refinancing and How It Can Help



Your Guide to Restructuring Debt



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About Us

We know the community and we are able to provide a well- rounded review of a loan application and the best service in the industry. We do not just rubber stamp the loan decisions, instead, we collect and analyze more information on our borrowers and make the best decision that saves both time and money. We employ the most knowledgeable loan officers in the industry and because of their expertise, they qualify more borrowers, identify their needs, and ensure that each person buys the loan that is right for them and their family.



“Refinancing with Bank of England Mortgage was the best decision I’ve made. Now I have some relief in paying off my mortgage!”

-Steve



EXPERIENCE

We employ knowledgeable loan officers who have an extensive history with the industry so you can trust you’re getting the best.



BORROWER OPTIONS

If you are self-employed, have low credit or have experienced a bankruptcy, we will work with you to find the best loan options.



LOAN EXPERTS

During the loan process you will work with one loan officer who will help you every step of the way. From your application to closing they will be there to help.



What is Refinancing?

What does it mean to refinance a mortgage?

Loan refinancing refers to the process of taking out a new loan to pay off one or more outstanding loans. Borrowers usually refinance in order to receive lower interest rates or to otherwise reduce their repayment amount. For debtors struggling to pay off their loans, refinancing can also be used to get a longer term loan with lower monthly payments. In these cases, the total

amount paid will increase, as interest will have to be paid for a longer period of time.

Refinancing a loan allows a borrower to replace their current debt obligation with one that has more favorable terms. Through this process, a borrower takes out a new loan to pay off their existing debt, and the terms of the old loan are replaced by the updated agreement.

Student Loans

Student loan refinancing is commonly used to consolidate multiple loans into one payment. For example, a recently graduated professional might have a package of debt that includes private loans, subsidized federal loans and unsubsidized federal loans. Each of these loan types has a different interest rate, and the private and federal loans are likely to be serviced by two different companies — meaning that the borrower must make two separate payments each month. By refinancing their loans and using one lender, the borrower can manage their debt through one company and possibly lower their interest payment.

Credit Cards

Personal loans are often used as a way to refinance credit card debt. Interest accrues rapidly on an outstanding credit card balance, and it can be hard to manage continuously growing debt. Credit card interest rates, which are applied monthly, also tend to be higher than personal loan rates. So, by paying off the credit card balance with a personal loan, debtors are likely to get a more affordable and manageable way to pay off their debt.

Mortgages

When you buy a home, you get a mortgage to pay for it. The money goes to the home seller. When you refinance, you get a new mortgage. Instead of going to the home's seller, the new mortgage pays off the balance of the old home loan. Mortgage refinancing requires you to qualify for the loan, just as you had to meet the lender's requirements for the original mortgage.

You file an application, go through the underwriting process and go to closing, as you did when you bought the home.

Small Businesses

Refinancing business debt is a common way for many small business owners to improve their bottom line. Government-backed SBA 504 loans, which are for purchasing real estate and equipment, can also be used to refinance conventional real estate loans. Similar to mortgage refinances, switching into a different business real estate loan can often yield a lower interest rate and monthly payment. Business owners overwhelmed with debt also use debt consolidation loans to restructure their payment plan.

**Now is the perfect time to pay
off credit cards, start a college fund,
or work on home renovations!**

A photograph of a couple looking out of a window of a house, with a green overlay. The couple is smiling and looking out the window. The house has a brick chimney and a dark roof. The background shows trees and a clear sky.

How Refinancing Can Help

The benefits of refinancing

Refinancing isn't a new concept, but whenever there's a significant drop in mortgage rates, it's not unusual for mortgage lenders to receive an influx of applications. Refinancing is the process of attaining a new mortgage to pay off an existing mortgage. The new mortgage comes with entirely new terms, which are typically better for the homeowner. There are good reasons to refinance a mortgage loan.

Perhaps you're cash-strapped and desperately need to reduce your monthly payment to avoid foreclosure. Or maybe you agreed to a bad mortgage loan and want to acquire better terms. Familiarize yourself with the pros of refinancing, and then decide whether now is the time to look into refinancing with your local Bank of England Mortgage loan officer.

Advantages of Refinancing a Loan

Although a new loan might lack attractive features of an existing loan, refinancing has several potential benefits:

● Lower your interest rates

A common reason for refinancing is to lower financing costs; to do so, you typically need to refinance into a loan with an interest rate that is lower than your existing rate by qualifying for a lower rate based on market conditions or an improved credit score. Lower interest rates typically result in lower interest costs and significant savings over the life of the loan, especially with large or long-term loans.

● Change the loan term

While you can extend repayment to increase the term of the loan (but potentially pay more in interest costs), you also can refinance into a shorter-term loan. For example, you might want to refinance a 30-year home loan into a 15-year home loan that comes with higher monthly payments but a lower interest rate.

● Consolidate debts

If you have multiple loans, it might make sense to consolidate them into a single loan, especially if you can get a lower interest rate. One loan makes it easier to keep track of payments.

● Change your loan type

If you have a variable-rate loan that causes your monthly payments to fluctuate as interest rates change, you might prefer to switch to a loan at a fixed rate. A fixed-rate loan offers protection if rates are currently low but are expected to rise and results in predictable monthly payments.

● Lower your monthly payments

Whether you lower the interest rate on your loan or extend the amount of time you'll take to repay it, your new loan balance will most likely be smaller than your original loan balance because you will have lower interest costs or more time to repay. The new monthly payment should decrease as a result. The outcome is often a healthier monthly cash flow and more money available in the budget for other essential monthly expenses.

● Pay off a loan that's due

Some loans, particularly balloon loans, have to be repaid on a specific date, but you might not have the funds available for a large lump-sum payment. In those cases, it might make sense to refinance the loan using a new loan to fund the balloon payment in order to gain more time to pay off the debt. For example, some business loans are due after just a few years but can be refinanced into longer-term debt after the business has established itself and shown a history of making on-time payments.



Get in Touch

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