

# Should I Refinance?



## **My lender is charging me a higher home loan rate than I see advertised elsewhere. Can I change lenders?**

This is exactly the reason why most people change lenders. There may be a penalty clause in your current home loan, meaning you may need to pay a discharge fee, but it could still be in your financial interests to change. When shopping around it is always important to look for the comparison rate of a product. A comparison rate is essentially the true rate, taking into account the fees and charges you will pay on the loan. So even though you see a lower rate it doesn't mean the repayments are less. AFG brokers are able to take the hassle out of this for you. Why not contact us on 1300 130 987 to be put in touch with your local broker? Remember we have access to over 800 mortgage products from more than 30 lenders.

## **I have just come off a 'honeymoon' interest rate to a much higher rate. Can I move lenders or am I locked into my mortgage?**

You can walk away from most mortgages, although penalty fees sometimes apply. To review your options, why not contact an AFG broker?

## **If I move my mortgage to a new lender, is there anything stopping that lender from increasing their rates in a few months time?**

It depends what kind of product you have. If you're concerned about rising rates, perhaps you should consider a fixed rate home loan, where repayments are fixed for a period from 1 to 5 years.

## **Why do some lenders charge more than others for lending the same amount of money?**

Banks and other lenders pay different amounts for the money they on-lend to you, they have different overhead structures and different profit expectations. All these factors affect how much they charge to lend people money.

## **What documentation do I need to refinance?**

The last 3 – 6 months of mortgage statements is sufficient to begin this process. An AFG broker can advise on other documentation.