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## on Your Mortgage

### Shop lenders and fees.

A mortgage costs more than just interest. There are application and underwriting fees, discount points, rate lock fee and more. These costs vary from lender to lender. There are third party fees too - appraisal fee, title fees and other service charges. To save the most money on your home purchase or refinance, **concentrate on the whole financial picture.**

Don't just shop the interest rate. A lower interest rate may not necessarily guarantee the most cost savings. For example, a down-payment less than 20 percent at closing generally requires monthly mortgage insurance premiums until the loan reaches 78 percent loan-to-value.

### Compare Loan Estimates.

Look at the Annual Percentage Rate (APR) on page 3 of a Loan Estimate. An APR is your total cost over the life of the loan expressed as a rate. It includes lender fees and other costs in addition to the total interest. A Loan Estimate may list a lower interest rate but a higher APR, which means your cost will be higher over the life of the loan. **The lower your APR, the less your overall cost.**

### Consider your personal needs.

How long do you plan to live in the home? If it's less than 10 years, a lender with lower-priced fees and a slightly higher interest rate may be a better deal.

Also, a 30-year loan term may have a lower monthly payment than a 15-year loan, but will likely have a higher interest rate and cost more over the life of the loan.

What about your credit score? **A good score matters if you want to qualify for lower interest rates and improve your chances for lower home insurance premiums.**

### Borrowing money costs money.

But, **you do have some control over how much you pay.** Talk to a lender and ask them to walk you through the Loan Estimate and the calculations. The more knowledge you have about available loan options, additional costs and your individual qualifications, the more satisfying your home buying experience will be.

We are here to help, even if you're not an RCB Bank customer. Give us a call or visit us online at [RCBbankMortgage.com](http://RCBbankMortgage.com).



Opinions expressed above are the personal opinions of Kenneth Wohl, VP Mortgage, and meant for generic illustration purposes only. For specific questions regarding your personal lending needs, please call RCB Bank at 855.BANK.RCB.

