



By Mike Carrels, RCB Bank communications coordinator

## **Consider Refinancing Your Auto Loan**

If your vehicle loan is dragging you down, it might be time to refinance.

There are many reasons refinancing your vehicle loan is a good idea. See if any of these apply to you.

### **If you didn't shop around originally**

If you didn't shop around when you purchased your vehicle, you may not have gotten the best rate. Lowering your rate could lower your monthly payment and could reduce the amount you pay over the life of the loan.

### **If you find a better rate than your current rate**

As previously stated, getting a lower rate could lead to a lower monthly payment and could significantly reduce the amount you pay over the life of your loan. And depending on how much lower your new rate is, it could reduce the number of payments you have remaining if you decide to keep paying the same amount you're currently paying.

### **If your credit score improved**

If you've been making your loan payments on time for several months, it's very likely that your credit score has improved. Refinancing when you have a better credit score can cut the interest rates for which you qualify.

### **If your financial situation improved**

If your financial situation improves, you may qualify for a lower rate than what you're currently paying. If you recently got a raise, paid off another debt or inherited some money, that may mean you qualify for a lower loan rate.

Refinancing your vehicle loan could save you money in the long run. But do your homework beforehand to make sure that refinancing is right for your financial situation. Take into consideration and research to see if there are any fees involved with paying off your current loan early.

And if you have any questions, talk to a banker to see if refinancing your vehicle loan is the right option for you.

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