

RAMS Breaks the Myths About Refinancing Your Mortgage

RAMS recommends customers consider the following myths and realities when refinancing their home loan.

January 12, 2011 (FPRC) -- Specialist lender, RAMS Home Loans today revealed many Australians are breaking the myths about switching home loans and refinancing to a better deal.

RAMS Chief Executive, Melos Sulicich said there is a growing trend to refinance an existing mortgage to another lender who can offer a home loan to better suit their financial needs.

'Traditionally, borrowers often stayed with the same lender for the life of the loan. However, people are now taking greater control of their finances by shopping around and exploring new options to meet their changing personal circumstances,' Mr Sulicich said.

There are currently many options available to borrowers including whether to choose a fixed or a variable rate, select different products and even change home lenders.

'Our experience shows choosing to refinance can be a daunting experience for many people at first.

We find there are many myths about refinancing, however as many of our customers have discovered - the reality is, there could be thousands of dollars in savings if you explore your options,' he said.

RAMS recommends customers consider the following myths and realities when refinancing:

Myth #1 – It's too much hassle to switch home loan lenders

Reality - Most lenders are only too happy to work with customers to explore their personal needs and restructure a loan to better suit the individual. Often lenders can help set up a direct debit for new home loan repayments from the same account existing repayments are made from so there is no need to set up new deposit accounts.

Myth #2 – I am stuck with this home loan for life

Reality – Customers often think they are locked into their home loan for the term of their loan because of expensive exit fees and other costs. However, many people don't take the time to understand the conditions of their loan agreement, and that these conditions change over time. For example, there may be an early repayment fee or exit fee if you discharge from your loan within the first few years to recover the costs of establishing the loan but these fees are usually reduced to zero after three or four years making a switch easier. Remember, every borrower has a choice to move or sit still.

Myth #3 – It will cost too much to move

Reality - While some lenders charge break fees and other costs, such as early repayment fees for switching loans, it pays to do your homework as lenders offering cheaper interest rates, reduced and/or no upfront fees and charges may provide greater savings over the life of the loan and outweigh any break fees.

To help customers refinance to a better deal, RAMS is offering a \$0 application fee* for all new home loan applications received on or before 31 January 2011 – delivering a saving of \$395. RAMS encourages customers to call 13 RAMS (13 7267) to discuss the home loan options available to suit their individual circumstances.

- ends -

Fees, conditions and limitations apply. Subject to normal lending criteria. In order to be eligible for this promotion, loan applications need to be received by RAMS on or before 31 January 2011. New applications only. Promotion does not apply to increases or variations.

For further information, please contact:

RAMS Media Relations, Melanie Monico on 02 8218 6359 or 0437 896 093

RAMS - Expert advice. Community based. Community focused.

Currently there are, 46 RAMS franchisees were operating over 70 RAMS Home Loan Centres in both metropolitan and regional areas, and we're opening new Centres around Australia all the time. Every RAMS Home Loan Centre is independently owned and operated by local franchisees and all RAMS franchisees are chosen for their integrity, extensive industry or business experience and commitment to customer service excellence.

RAMS Home Loan Centres are open 7 days a week. However, if customers aren't able to make it to a RAMS Home Loan Centre, an experienced RAMS Home Loan specialist can visit them at their home or office.

RAMS has 52 franchisees who own and operate over 70 Home Loan Centres around Australia, with four remaining areas available in South Australia. For more information on RAMS franchise opportunities and local areas available visit www.ramsfranchising.com.au.

If you would like to buy a home and are looking for a mortgage lender, think of RAMS.

Contact Information

For more information contact Melanie Monico of RAMS Home Loans Australia

(<http://www.rams.com.au/>)

(02) 8218 6359

Keywords

[home loans](#)

[mortgage](#)

[mortgages](#)

You can read this press release online [here](#)