

Specific Loan/Financial Characteristics That Affect Your Interest Rate

A green versus an orange button indicates the relative impact on the increase or decrease in the interest rate.

Up Indicates a greater impact in the interest rate increase

Down Indicates a greater impact in the interest rate decrease

Up Indicates a lesser impact in the interest rate increase

Down Indicates a lesser impact in the interest rate decrease

In general, as the Credit Score increases, the Interest Rate on the loan decreases.

Up The Credit Score (FICO) increases

Up The down payment amount for a purchase transaction increases

Down The loan amount as compared to the value of the property (Loan-to-Value ratio; LTV) for refinance transactions decreases

Up The more income and asset documentation provided

Up The term of the loan increases

Up The paying of discount points increases

Up The length of the fixed rate period versus adjustable period for an ARM loan program increases

Up The less you pay "out of pocket" in closing costs (including broker/lender fees)

Up The total monthly debt service compared to income (Debt-to-Income ratio) increases

Up The loan is used to take cash out of the property as opposed to refinancing the loan to lower the interest rate and/or payment

Up The length of a prepayment penalty period increases or having a prepayment penalty clause on your loan

Down Interest Rate Decreases

Down Interest Rate Decreases

Down Interest Rate Decreases

Down Interest Rate Decreases

Up Interest Rate Increases

Down Interest Rate Decreases

Up Interest Rate Increases

Up Interest Rate Increases

Up Interest Rate Increases

Up Interest Rate Increases

Down Interest Rate Decreases