

California Refinance With Pay Option Adjustable Rate Mortgage (ARM) Loans On The Increase

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"California refinance using a Pay Option adjustable rate mortgage (ARM) loan are on the increase," states Jennifer Dorsey, Senior Loan Officer at Trinity Mortgage in Rancho Cucamonga, California.

"We are seeing a tremendous increase in the amount of people refinancing in California using a Pay Option home loan because the program gives the homeowner the choice to make low monthly-deferred interest payments, an interest only payment, a 15 year amortized payment or a 30-year amortized payment. Which gives the homeowner complete control of their mortgage payment every month."

"All types of borrowers are taking advantage of a Pay Option refinance, but the two most common are self-employed/commissioned borrowers and those that have found themselves in a financial position in their life where they need the absolute lowest payment."

"This program is ideal for anybody that has fluctuating income such as the self-employed looking to refinance and be able to meet the monthly mortgage payment."

We recently assisted a self-employed California contractor who is busy during the spring and summer, but due to weather conditions in the winter business slowed down. When business is going well they can make a fully amortized payment but when business is slow he can take advantage of the new low deferred interest payment. It gives him great flexibility to make the mortgage payment he wants depending on his monthly cash flow situation."

"Others looking to buy a new home or even a first time home buyer and want the lowest possible monthly payment or just want to lower your existing mortgage payment will all benefit."

The Pay Option refinance home loan is a relatively new product that allows you four payment options each month:

1. 15 year payment- Pay your home loan off and build equity faster as well as save thousands of dollars in interest;
2. 30 year payment- This option will let you know how much to pay to have your home free and clear in the standard thirty years;
3. Interest only option- This option allows you to pay only the interest portion of your monthly payment so you can increase monthly cash flow;
4. 1% Minimum payment-This option allows you to pay your mortgage at a 1% rate of interest for maximum savings.

Your payment cannot increase more than 7.5% above the previous year for the first five years. Another gives you the option to convert to a fixed rate mortgage after the first three years.

"Borrowers should remember to use the program to their advantage. If they only make a minimum deferred payment then the deferred interest will be added to their principal balance at the end of 5 years," warns Dorsey.

"The Pay Option Refinance Loan is the absolute best adjustable rate mortgage (ARM) product available today," concludes Dorsey.

For immediate assistance on a Pay Option Home Loan please go to www.goldmedalmortgage.com or call 1-866-398-4664

[You can find this press release here](#)