

Refinance vs. Sell

A Step-by-Step Information to Weighing Your Options

Step 1. Clarify Your Current Situation

Before weighing refinancing or selling, gather key facts about your household and property:

- Current mortgage balance and interest rate
 - Monthly payment (including property taxes and insurance)
 - Home's current market value (check King County Assessor or recent comparable sales)
 - Household income stability (steady, reduced, or uncertain)
 - Personal or family circumstances (health, divorce, job change, relocation)
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Step 2. Understand What Refinancing Involves

Refinancing means replacing your current mortgage with a new one, ideally with better terms. **Considerations:**

- Will the new interest rate reduce your monthly payment enough to help?
 - Are there upfront costs (closing fees, appraisal, etc.) that you can afford?
 - Do you plan to stay in the home long enough to benefit from refinancing savings?
 - Will refinancing extend your loan term and increase total interest paid over time?
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Step 3. Understand What Selling Involves

Selling means putting your home on the market and moving elsewhere. **Considerations:**

- How much equity do you have? (Home value minus what you owe)
 - After paying off the mortgage, realtor fees, and moving costs, what remains?
 - Do you have stable housing options after selling (renting, downsizing, relocating)?
 - Does selling relieve financial or personal stress (divorce, medical hardship, job relocation)?
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Step 4. Compare Side by Side

Create a simple comparison table (monthly payments vs. rent/new mortgage; debt reduced vs. debt continued; impact on savings and stability).

Questions to ask yourself:

- Which option gives you more stability in the next 2-5 years?
 - Which option reduces financial pressure faster?
 - Which option best matches your family's current life circumstances?
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Step 5. Explore Assistance and Neutral Resources

If income loss or hardship is part of your decision:

- Washington Homeowner Assistance Fund (HAF):** Mortgage help for eligible homeowners washingtonhaf.org
 - HUD-Approved Housing Counselors in Washington:** Free or low-cost advice → [HUD Housing Counseling](#)
 - King County Housing Authority (KCHA):** Rental and housing assistance → kcha.org
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Step 6. Decide & Act Responsibly

- Review your notes and comparisons.
- Discuss the decision with your household.
- Seek guidance from **licensed professionals** before signing any agreements.
- Remember: No option is one-size-fits-all. The right choice depends on your finances, goals, and personal circumstances.