

Published based on [Financing Home Improvements with a Second or Third Mortgage](#)

Financing Home Improvements with a Second or Third Mortgage

Financing Home Improvements with a Second or Third Mortgage

By [Carrie Reeder](#)

Financing home improvements with a second or third mortgage allows you to maintain or increase the value of your home. With home equity loans secured by your property's value, mortgage rates are relatively low. In addition, tax laws also allow you to deduct second mortgage interest in some cases.

But before you sign for your new loan, make sure you are getting the right type of financing for your project. Also, take time to research lenders for low rates and fees.

Start With A Home Improvement Budget First

Before you look for financing for your home repairs or remodel projects, draw up a realistic budget with estimated cost overruns. This is the time to collect project quotes from at least three contractors. Or if you are planning to do the work yourself, price out materials and fees for rental equipment.

For projects less than \$2000, take a look at a home equity line of credit. This type of financing usually has no application fees and low adjustable rates for the first couple of years. Lines of credit also give you flexibility in using your principal, so you only pay interest on what you borrow, when you borrow it.

If your projects are larger, a closed second or third mortgage will provide you with better rates over the long term. With a longer period to repay your loan, you are also likely to recoup the cost of closing fees with a low fixed rate.

Take Advantage Of Online Quotes

Once you have selected the type of financing you want, shop around rates and fees to determine the best deal. With online lenders, you can quickly investigate rates from their websites. You can even request custom quotes based on your credit score and financial assets.

When you allow financial companies to access your credit report, you have a 30 day grace period where repeated inquiries don't hurt your score. After that, your score will be temporarily lower. So only ask for quotes if you are serious about applying for financing.

Securing financing for your home improvement projects usually takes less than two weeks with most lending companies. With today's online lenders, paying for your home's renovations will be the easiest part of your project.

ABC Loan Guide has a list of free [Home Equity Lenders Online](#), or more information regarding a [2nd Mortgage Online](#).

Article Source: http://EzineArticles.com/?expert=Carrie_Reeder

<http://EzineArticles.com/?Financing-Home-Improvements-with-a-Second-or-Third-Mortgage&id=204175>

You can also find this article published on [Financing Home Improvements with a Second or Third Mortgage](#), and on the tag pages [credit score](#), [equity line of credit](#), [financing home](#), [financing home improvements with a second or third mortgage](#), [home equity](#), [home equity line](#), [home equity line of credit](#), [home equity loans](#), [home improvements](#), [third mortgage](#).