

Published based on [How can I decide weather it's better to refinance my 1 & 2 mortgages or sell my house?  
What's better financial](#)

# **How can I decide weather it's better to refinance my 1 & 2 mortgages or sell my house? What's better financial**

Our 1st mortgage Co. sold our 2nd mortgage to a third party who holds our lein & is threatening foreclosure. We can refinance our 1st mortgage to include the 2nd.

After 10 years in our home, we'd start over with another 30 yr. mortgage and a monthly payment approx.

\$150-\$200 more, but at a lower rate than we're paying now. We'd be rolling approx. \$7,000 in costs into the new loan. New interest rate woud be 6.75, we're now paying 8.0%

OR we can sell our house to pay off both mortgages. We would walk away with approx. \$7,000 after all of the costs.

What do you suggest? What sounds like a better idea financially?

Answers needed ASAP (of course!)

1. Selling our home to pay off the 1st & 2nd mortgages will cost us approx. \$16,400 in total costs and we'll walk away with about \$7,000.

2. Refinancing/combining the 1st & 2nd mortgages will roll approx. \$7,000 back into the loan immediately.

Our credit score is Okay - in the upper 600's. We are not behind at all on the 1st mortgage and have not had a terrible time paying the current payment (but are about at the limit).

However, due to incorrect info. from Chase 4 yrs. ago- we have never paid on the 2nd mortgage & that is where the problem is.

Chase Home Finance is our 1st mort. company. They are also the ones who sold our 2nd mortgage (line of credit that was discharged in an '04 BK), to a 3rd party. It's the 3rd party (First Mortgage LLC) who holds a lien & is going to foreclose. That HAS NOT yet happened and does not show up on our credit report. Our 1st mort. shows as current.

I'm so confused. What makes more sense financially?

Thank you to everyone who answers.

Call your local bank...

You can also find this article published on [How can I decide weather it's better to refinance my 1 & 2 mortgages or sell my house? What's better financial](#), and on the tag pages [1st mortgage](#), [2nd mortgages](#), [credit score](#), [first mortgage](#), [home finance](#), [how can i decide weather it8217s better to refinance my 1 amp 2 mortgages or sell my house what8217s better financial](#), [interest rate](#), [mortgage](#), [mortgage co](#), [third party](#).