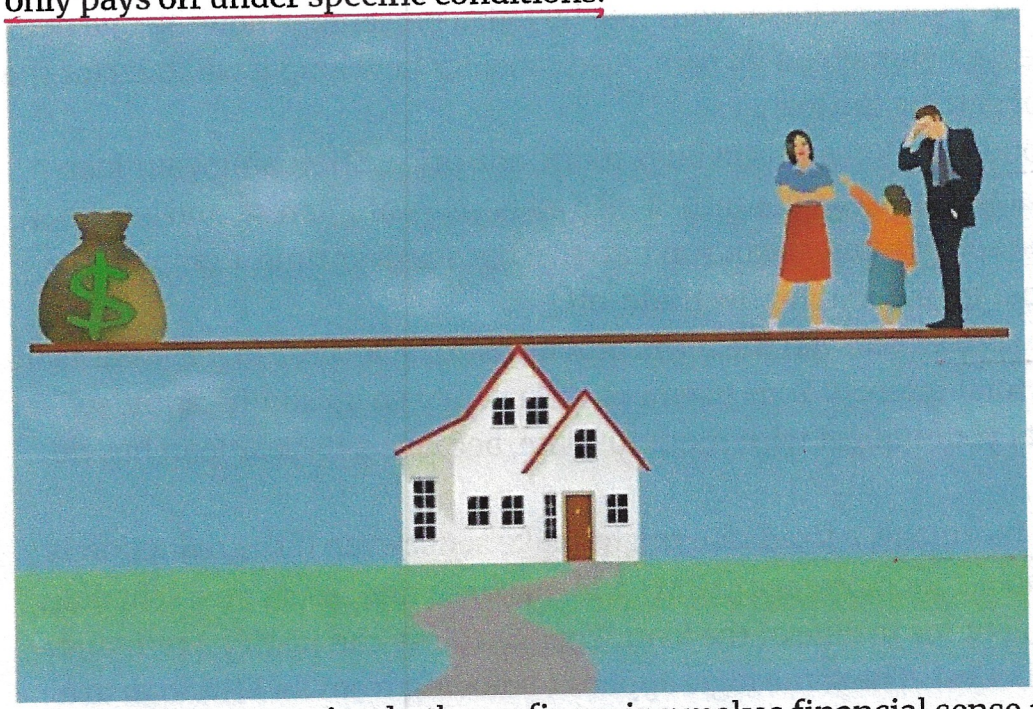
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How often can you refinance your home?

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There's no legal limit on how often you can refinance your mortgage, but a second or third refinance only pays off under specific conditions.



What really matters is whether refinancing makes financial sense after accounting for the lender's waiting period and determining whether the savings outweigh the costs.

Three things could stop you from refinancing again:

The math: This is what stops most people, and it's the only thing you control. Every refinance requires closing costs, which typically run 2% to 5% of your new loan amount. Each round takes longer to pay back than the last because you're spending roughly the same costs to capture a smaller gap. Just because you're eligible to refinance again doesn't mean you should.

Seasoning period: Seasoning is the waiting period between refinances, measured in days or payments made. Depending on your loan type, it can be anywhere from no required wait to 12 months. This gives your lender time to assess your payment history before approving another refinance.

Net tangible benefit, if you have a government-backed loan: A loan with a net tangible benefit must meaningfully improve a borrower's finances, such as lowering the monthly payment, reducing the interest rate, shortening the loan term or moving from an adjustable-rate to a fixed loan. The test prevents lenders from churning borrowers into refinances that earn fees and save nothing.

Is refinancing again worth it?

Start with the math, because it determines your next move. Even a so-called no-cost refinance will cost you money, so determining your break-even point is the first step in any refinance, whether you bring

a check to closing or not. Your break-even point is how long it takes your lower payment to cover the refinance costs, and you find it by dividing your total closing costs by your monthly savings.

On a $300,000 loan, $9,000 in closing costs against $149 in monthly savings breaks even at 61 months, or just over five years. If you don't expect to stay in the house that long, the refinance loses money no matter how good the rate looks. So the question isn't whether you can refinance again. It's whether your break-even point lands before you leave.

Find yourself in the five cases below, then check your own numbers in Bankrate's refinance calculator (bankrate. com/mortgages/refinance-calculator).

- If you can lower your interest rate and you'll stay past break-even, refinance. The standard rule of thumb is that refinancing makes sense if you can lower your rate by half a percentage point to one percentage point. But the rate difference isn't enough on its own. Also consider how long it will take for the money saved to outweigh the costs of getting the loan.
- I f your payment is straining your budget, a longer term buys room, at a price. Stretching your loan term back out to 30 years lowers what you owe each month. It also adds years of interest, and on a loan you've already been paying down, the added interest can run into five figures over time. Compare the monthly relief against the lifetime cost to understand the trade-off.
- If you want to pay off the mortgage sooner, shorten the term. Moving from a 30-year to a 15-year loan builds equity faster and sharply cuts total interest. Your payment will usually go up significantly, so only do this if the higher payment fits your budget with room to spare, because a 15-year loan has no built-in flexibility.
- I you're carrying an adjustable-rate mortgage, a fixed rate might make sense even if the reduction is modest. Refinancing from an adjustable-rate mortgage (ARM), a loan whose rate resets on a schedule, into a fixed-rate loan locks your payment for the life of the loan. That certainty can justify a refinance even when the rate improvement is modest. The same logic applies to moving from an FHA loan to a conventional loan: Once you have 20% equity, a conventional loan drops the mortgage insurance premium that FHA charges for the life of most loans.
- If you want to tap equity, start with a HELOC or home equity loan. A cash-out refinance replaces your whole mortgage with a bigger one, so you reprice the entire balance, reset the clock and pay closing costs on the full loan amount, not just the cash you take. A HELOC or home equity loan, on the other hand, leaves your first mortgage untouched, costs far less to close, and keeps the borrowed amount separate from your home loan. If a cash-out refinance would result in a higher rate, start with second-lien home equity options.

Before refinancing, don't forget to crunch the numbers. Bankrate's refinance calculator can help you compare your current mortgage with the new loan offer, estimate your savings and figure out how long it will take for you to break even.

And don't underestimate the value of comparing multiple lenders. Bankrate's Hidden Homeownership Tax research found that 79% of people who refinanced in 2025 accepted a rate higher than the most competitive one available to them, costing about $2,462 a year in excess costs. A better quote shortens your break-even point from both directions, cutting costs and widening monthly savings at the same time.

Important considerations before refinancing again

Refinancing more than once can make sense in certain situations, but weigh the costs involved first.

- You have to qualify all over again. Your eligibility for a refinance loan isn't automatic. You'll have to qualify for a mortgage again, which can be time-consuming. A weaker financial profile could also cancel out your savings. If your credit score has decreased or your debt-to-income ratio has risen, you may not qualify for a new loan or favorable interest rates. A minimum score of 620 is typically needed to refinance a conventional loan, but a higher score means a lower rate.
- You pay closing costs again. Refinance closing costs typically run 2% to 5% of your loan amount, which is $6,000 to $15,000 on a $300,000 loan. You must recoup this money before you reach the break-even point and actually benefit from your refinance. The longer you stay in your home after reaching break-even, the greater the financial benefits of refinancing.
- You might face a prepayment penalty. While prepayment penalties are less common today, your lender may charge a fee for paying off your mortgage early with a refinance loan. Check the terms of your current loan before refinancing. This fee is more likely on non-qualified mortgages and some portfolio loans.

Qualifying is not the same as getting the best price.

Just because you qualify for a refinance doesn't mean it makes financial sense. Pricing improves in tiers as your score rises, and lenders generally reserve their lowest rates for scores above 780. If you're in the 700s, a few months spent getting above 780 can be worth more than refinancing today.

Frequently asked questions

- Does refinancing your home more than once hurt your credit? Not much, and shopping lenders hurts it less than most people assume. All mortgage inquiries you make within a 14-to-45-day window, depending on the scoring model, count as a single inquiry, so comparing three or four lenders costs you only a few points, the same as comparing one. What adds up is refinancing repeatedly over several years: Each closed loan creates a new account and a fresh inquiry, which shortens your average account age. On-time payments on the new loan rebuild the score within a few months.
- What alternatives are there to refinancing your mortgage? Instead of refinancing, you can consider a mortgage recast, in which you make a lump-sum payment to reduce your principal balance and potentially lower your monthly payment without changing your loan terms. If you're facing financial hardship, your lender may offer a loan modification. If you want to access your equity, a home equity loan or a home equity line of credit (HELOC) can do that without altering your current mortgage.
- How many times can you refinance your home in a year? There's no limit on how many times you can refinance. But many lenders require a six-month seasoning period between refinances, which would likely limit you to a maximum of two mortgage refinances in one year.
- Is there a penalty for refinancing too many times? There's no penalty for refinancing multiple times, but doing so may not make the best financial sense. Refinancing replaces your loan with a new one. So each time you refinance, you're on the hook for closing costs. Refinancing can also lengthen your loan term, which may mean you pay more in interest over the life of the loan.
- Should I refinance again after one year? Refinancing after one year may be worth it if your financial situation has improved or interest rates have dropped. Regardless, you should consider how long you plan to stay in the home, how much you'll save with a new loan and how long it will take those savings to exceed the costs of refinancing.

Key takeaways

- There's no legal limit on how many times you can refinance your mortgage, but loan programs and lenders both impose waiting periods, called seasoning periods, between refinances.
- 79% of people who refinanced in 2025 ended up with a rate above the most competitive one available to them, costing them about $2,462 a year, according to Bankrate's Hidden Homeownership Tax research.
- Government-backed streamline refinances require a net tangible benefit, meaning the refinance must leave you financially better off than your original mortgage.