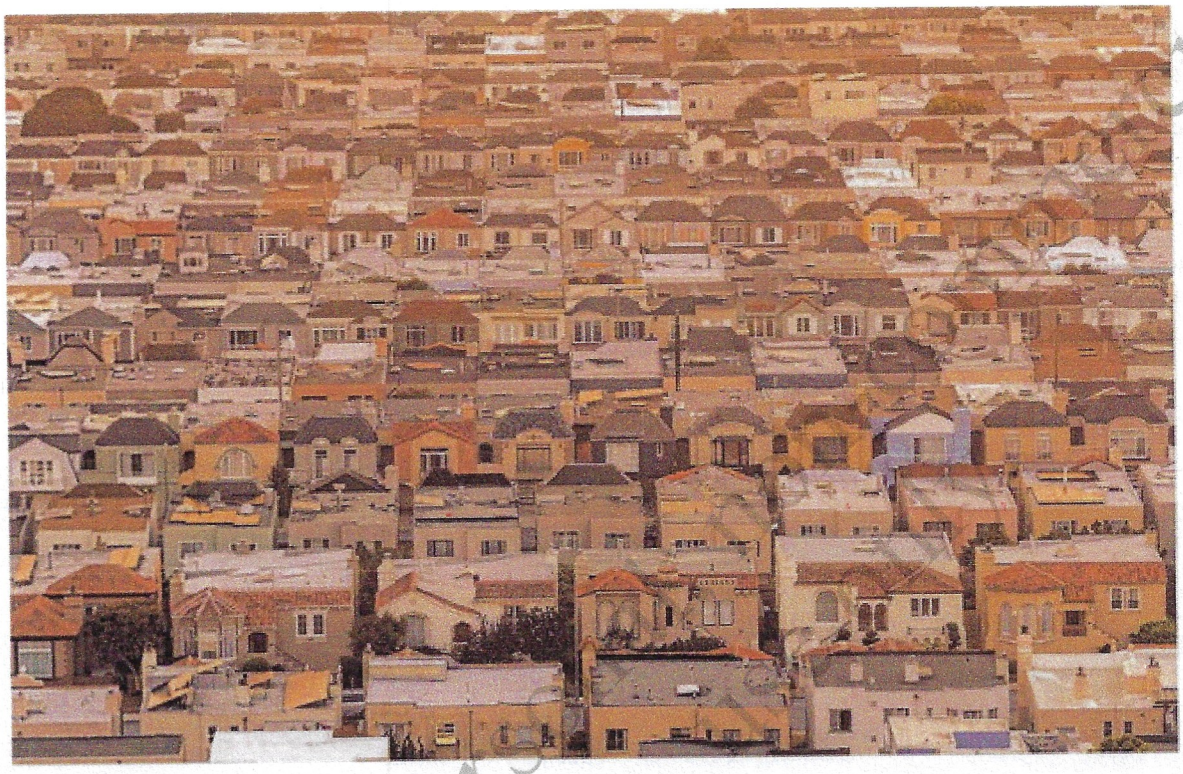
~~2024~~ 2026-11-4

WSJ Print Edition



STEPHEN LAM/ SAN FRANCISCO CHRONICLE/ AP U.S. home insurance rates rose a cumulative 47% from 2020 to 2025, according to LendingTree.

For personal use only

If Your Mortgage Payment Just Spiked, Here's What to Do

Adjustable-rate loan costs are jumping, and everything from property taxes to homeowners insurance is getting more expensive

BY VERONICA DAGHER AND NICHOLAS G. MILLER

Buying a home can be a costly shock to your budget, but people who already own can also see their costs quickly spiral out of control.

Tens of thousands of pandemic- era buyers who took out cheap adjustable-rate mortgages are now seeing their loan rates reset from below 3% to 7%-plus. That means hundreds or thousands of dollars more in monthly costs.

There are other ways ownership costs can skyrocket. Property taxes, insurance premiums and homeowners association dues are jumping across the country. And people who need to move are giving up their low rates for today's higher ones.

It isn't always possible to take the bite out of surging costs, but there are ways to contain them and maybe even save. We asked experts on these costs for advice. Here's what they said:

Challenge assessment

Rising home values are causing a jump in property taxes in many parts of the country, but you can always appeal. Review your property tax assessment and self-appeal if you believe your home has been overvalued, said Colton Pace, chief executive of Ownwell, a property tax appeal service. Nearly every state allows direct appeals, and filing is free or very low cost in most jurisdictions.

To build your case, pull your assessment notice and property records from your local assessor's office to check for clerical errors, such as incorrect square footage or listed rooms that don't exist.

Then gather supporting evidence, including recent sales of comparable nearby homes, photos of structural defects, or contractor repair estimates. Local filing procedures typically require you to submit your appeal within a 30- to 60-day window after your notice is mailed.

It is also worth checking whether you're receiving all the property tax exemptions for which you qualify. Most states offer homestead exemptions for primary residences, as well as additional relief for seniors, veterans, and homeowners with disabilities.

Seek discounts

U.S. home insurance rates rose a cumulative 47% from 2020 to 2025, according to LendingTree. Some home insurers offer discounts for paying premiums annually instead of monthly, enrolling in automatic payments or installing protective devices such as water-leak detection devices, said Loretta Worters, vice president at the Insurance Information Institute, an industry trade group.

Ask your insurer for a complete list of available discounts. Roof age, condition and materials can affect insurance costs. If you've recently replaced your roof, notify your insurer and ask whether the improvement qualifies for savings. Keep documentation of the work.

Private insurance

Homeowners should try to cancel their private mortgage insurance as early as possible, said Joel Berner, senior economist at Realtor. com. The Trump administration recently said it is working on an idea to automatically cancel private mortgage insurance when it is no longer necessary, but there is nothing stopping you from doing it yourself.

If you bought your home with a conventional loan and put less than 20% down, your lender likely added private mortgage insurance to your monthly bill. However, you don't have to wait years for your loan balance to drop below 80% of the home's value through normal payments and appreciation in value.

To cancel it, call your loan servicer and request early PMI cancellation based on your home's current market value. The lender will require an official appraisal to verify the new value, which typically costs a few hundred dollars.

If the appraisal confirms you hold at least 20% equity, the lender drops the insurance, and the monthly savings will usually recoup the appraisal fee within a few months.

HOA dues

If you live in a homeowners association community, it is typically difficult to get your dues lowered, but you can try to minimize future increases.

Homeowners should push for timely repairs for their common spaces instead of cuts to maintenance budgets, noting that putting off fixes usually doubles the final cost, said Robert Nordlund, founder of Association Reserves, a company that evaluates condos' financial health.

They should also promptly report hazards such as tripping risks or overgrown brush to prevent expensive insurance increases, and urge the board to shop around for vendor contracts every few years to keep costs down.

Prepare for next reset

The borrowers who have adjustable- rate mortgages resetting soon should proactively reach out to their loan servicers and find out what the proposed adjustments will be, said Michael Farrell, president of the National Association of Mortgage Brokers. Then, if they want to refinance into a new loan, they should get offers from several lenders or talk to a broker.

For personal, non-commercial use only

Note

2

Refinancing into another ARM could be an option, allowing borrowers to avoid the full jump to current market rates by getting another initial period of discounted rates.

Before doing so, however, borrowers should consider how long they are going to be in their home. An additional ARM might make more sense for people who know they will move before the fixed-rate period expires. In any case, ARM borrowers should have a timeline and strategy for getting out of the loan before the resets.

The following is a digital replica of content from the print newspaper and is intended for the personal use of our members. For commercial reproduction or distribution of Dow Jones printed content, contact: Dow Jones Reprints & Licensing at (800) 843-0008 or visit djreprints.com.

Copyright (c)2026 Dow Jones & Company, Inc. All Rights Reserved. 11/4/2026

For personal, non-commercial use only.