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I am a first time home buyer and shopping for home mortgage loans.

Does all banks allow us to buy points upfront to lower our interest ?

If its a 200K loan.

Do we really save paying more in interest in long run by buying the points upfront ?

Banks would love you to pay more points up front, because paying points is paying interest in advance to make you think you are getting a lower interest rate (an illusion).

The total cost of the loan over the full term is probably the same either way, points plus lower interest rate vs. more down payment and higher interest rate for a smaller loan. So over the long run points do not help you unless it gives you a tax advantage.

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