

New York Times

Online mortgage shopping made easier

The vast amount of information available online about mortgages – such as interest rates, loan benchmarks, prepayment penalties, and the like – can cause home buyers to feel confused and overwhelmed when shopping for a mortgage. Most surprisingly, a recent survey found that only 61 percent of homeowners surveyed said they comparison shopped for a mortgage, and 39 percent said they took out a home loan based on just one quote.

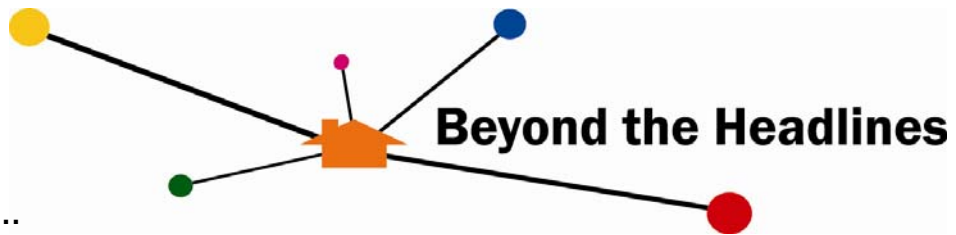
MAKING SENSE OF THE STORY

- Resulting from consumer feedback about lending Web sites being unhelpful or difficult to navigate, some of the nation's leading mortgage sites have responded by working to become more consumer-friendly. The revamped sites allow borrowers to not only browse lender rates and terms, but also learn about market trends and read comments from other loan shoppers.
- One of the challenges borrowers have, according to Keith T. Gumbinger, the vice president of HSH Association, is that while there is plenty of mortgage information available, consumers often have difficulty understanding the technical aspects of a mortgage, such as when an adjustable rate mortgage actually adjusts, and when a prepayment penalty applies.
- One site, LendingTree, allows consumers to browse quotes from various lenders, read an array of industry articles, use research tools and calculators, and peruse consumer-generated ratings and reviews of lenders. In December, the company created an online feature in which borrowers can post a mortgage-related question to be answered by a LendingTree loan specialist.
- Online direct lender, Quicken Loans, offers an expanding number of customer-written reviews on buying and refinancing. Beginning in March, consumers can download Quicken Loan's iPhone app and track when appraisals come in, closing dates are set, and when other time-sensitive hurdles in the home-buying process are reached.
- Some major lenders also are making changes, including Bank of America, which offers articles and tools specifically for first-time buyers, and another set for more experienced borrowers.
- Of course, borrowers also can forgo the online aspect of mortgage shopping, and instead work with an experienced mortgage broker who can help guide the buyer through the process, including locking in the best rates available for their situation.

Read the full story

<http://www.nytimes.com/2011/02/06/realestate/mortgages/06mort.html?ref=realestate>

Feb. 10, 2011



In Other News...



Wall Street Journal

Cash buyers lift housing

Buyers in markets around the U.S. are snapping up homes in all-cash deals, betting that prices are at or near bottom and breathing life into some of the nation's most battered housing markets.

Read the full story

http://online.wsj.com/article/SB10001424052748704570104576124502975117950.html?mod=W_SJ_hp_LEFTWhatsNewsCollection



San Francisco Chronicle

Bank payment policy keeps some from mortgage aid

Some California homeowners are finding that bank policies are preventing them from participating in the new Keep Your Home California program, which provides up to \$3,000 a month in mortgage payments to qualified, unemployed homeowners in California.

Read the full story

<http://www.sfgate.com/cgi-bin/article.cgi?f=/c/a/2011/02/08/BU7R1HJT69.DTL&tsp=1>



The Wall Street Journal

Home affordability returns to pre-bubble levels

Home affordability returned to pre-bubble levels in a growing number of U.S. markets over the past year as price declines laid the groundwork for a housing recovery.

Read the full story

http://online.wsj.com/article/SB10001424052748703313304576132291585938656.html?mod=W_SJ_RealEstate_LEADTopNews



CNBC

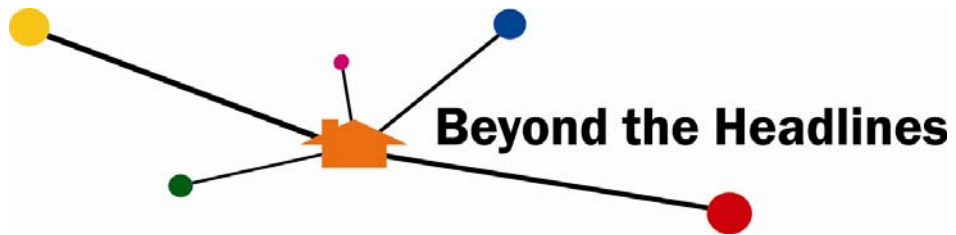
Managing a potential flood of foreclosures

REO inventory is rising. Four million seriously delinquent loans, out of 50 million first mortgage loans, and, according to Economist Mark Zandi, there are still over 600,000 properties in REO, which will only put more pressure on prices when they come to market.

Read the full story

<http://www.cnbc.com/id/41412751>

Feb. 10, 2011



The Wall Street Journal

Survey: Mortgage process has become too confusing

A new survey shows that Americans' confusion over mortgage applications has become one of the most challenging aspects of buying a home today.

Read the full story

<http://blogs.wsj.com/developments/2011/02/08/survey-mortgage-process-has-become-too-confusing/>



The New York Times

Housing bubbles are few and far between

What's the outlook for home prices over the next decade? It's not easy to tell.

Read the full story

<http://www.nytimes.com/2011/02/06/business/06view.html?ref=realestate>



The Washington Post

Housing finance changes likely to mean less government backing for some buyers

The Obama administration is likely to recommend reducing the size of mortgages eligible for government backing, according to current and former officials, a move that could make getting a home loan in high-prices areas more expensive.

Read the full story

<http://www.washingtonpost.com/wp-dyn/content/article/2011/02/03/AR2011020307205.html?hpid=topnews>



USA Today

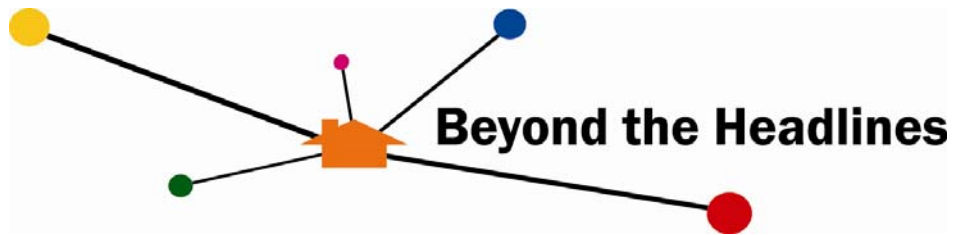
Can you claim the home buyer tax credit?

If you bought a home last year, you may be eligible for a tax credit of up to \$8,000 when you file your 2010 tax return. But before you start shopping, make sure you qualify.

Read the full story

http://www.usatoday.com/money/perfi/taxes/2011-02-04-personalfinance04_ST_N.htm?loc=interstitialskip

Feb. 10, 2011



What you should know about the market

- Getting a mortgage is a complex, time-consuming process that is generally one of the most significant events in one's life. Because of this, there are several potential pitfalls borrowers should avoid.
- Applying for new credit and a mortgage simultaneously is never recommended. Anytime a borrower applies for new credit, the borrower is seen as a greater credit risk, at least initially. If the borrower also applies for a credit card or auto loan around the same time as applying for a mortgage, the borrower's credit score might get dinged enough to increase the interest rate applied to the loan, or disqualify the borrower altogether. Borrowers should first apply for a mortgage, then apply for other consumers loans after the mortgage has been funded.
- Another mistake some borrowers make is failing to look at the total housing payment. A mortgage payment consists of principal, interest, taxes, and insurance (PITI). Commonly, some prospective home buyers forget to factor in the property taxes and insurance premium into the overall mortgage budget.