

Homes & Money

From the Offices of Northwest Mortgage Advisors—Quarterly Newsletter



Annie Gulosh

Mortgage Advisor

Northwest Mortgage Advisors

503-597-3500

Annie@NorthwestMortgageAdvisors.com

Inside this issue:

Mortgage News	1
Rates	1
Annie's Corner	2
Thank You's	2
Trivia Challenge	3
Creative Cuisine	3
Street Smarts	4

Mortgage News: Is Your Home at Risk?

3 Ways To Avoid the Foreclosure Trap

Recent statistics indicate that the number of foreclosures in the US are nearly twice what they were a year ago. In some states, foreclosures reportedly claim one in every 199 households!

If you or someone you know has an Adjustable Rate Mortgage (ARM) that is scheduled to adjust in the next 2 to 18 months, please schedule an appointment with us before it's too late. Don't let a foreclosure or default situation sneak up on you. For many borrowers, there are a number of viable; foreclosure alternatives that can help, including short sales. FHA refinancing, or FHA Secure, to name a few.

Short Sale

A short sale is a legally-binding agreement to allow a home to be sold for less than the amount that is owed. For debt-ridden homeowners or those who owe more than the house is currently worth, a short sale could save them some of the enormous pain, embarrassment, and major credit challenges associated with bankruptcy and/or foreclosure. For lenders, it helps avoid some of the hassle and ex-

pense of seizing and auctioning off delinquent real estate. For potential homebuyers and real estate investors, a short sale offers a great opportunity to purchase property at a significant discount.

It's important to note that short sales occur at the sole discretion of the existing lender or servicing company. This is not like negotiating the price of a home under normal circumstances.

A written declaration and supporting documentation demonstrating financial hardship and an inability to make payments will definitely be required by the lender in order to even consider a short sale. This may include pay stubs, tax returns, and liquid, asset statements - including those for retirement accounts - among other documentation. In addition, the borrower must be at least 91-days delinquent before a lender will even discuss a short sale.

This is where an experienced real estate professional becomes invaluable to your cause. Knowledgeable real estate agents have likely negotiated short sales in the past and are well-versed in the substantial risk and re-

ward involved in this extremely complex and often drawn out process

FHA Refinancing

The Federal Housing Administration (FHA) was established in 1934. Its purpose is to provide and improve home ownership opportunities to the general public by insuring home loans made by lenders. The FF-IA is the only government agency that operates entirely from its own income, and costs the taxpayers nothing. It is also the largest insurer of mortgages in the world. The Federal Housing Administration became a division of the Department of Housing and Urban Development (HUD) in 1965.

(Continued on page 2)



RATES:

30-Year Fixed	Low 6's
15-Year Fixed	High 5's
5/1 ARM	Low 6's
3/1 ARM	Low 6's
1-Year ARM	Mid 6's

These rates do not reference a specific loan program; rather, they reflect general market conditions which are subject to change.