

KIMs TAX SERVICE LLC

MORTGAGE GENERAL INFORMATION

Hopefully you will find this information useful for planning purposes.

Finding the right lender or broker is as important as finding the right home. The right lender or broker can save you money over the lifetime of a loan, not just by providing or finding the best possible interest rate but also by making sure that the specific mortgage product is the right one for your family's long-term financial needs

It's not easy to know if the prices quoted by lenders are reliable. Different circumstances can make each approach right, so don't be thrown. But every case is different

Loan originators will be required to provide borrowers their *Good Faith Estimate* three days after the loan originator's receipt of all necessary information.

Refinancing means renegotiating the terms of your loan, whether to lower the interest rate, change the repayment period, increase the amount of the loan, or switch to an adjustable-rate loan from a fixed, or vice versa. A new mortgage pays off the old one, and you begin making payments based on your new payment schedule and terms. You may want to consider this rule of thumb: refinance if you can lower your rate by at least one percentage point.

Refinancing:

- Lower your Rate. Are rates dropping? Is your credit improving?
- Improve your Equity Position
- Shorten or Lengthen the Loan Term
- Get Cash / Consolidate Debt / Home Improvement/Extra Cash

Regardless of your reason for refinancing, make sure you keep tabs on current market conditions. Are rates on the rise? Obviously, if you're trying to refinance to lower your rate, the market will be the best indicator of whether or not you should do it now, or wait until rates are more favorable. Be conservative and take appropriate precautions to avoid identity theft.

There are several steps involved in buying a Home, some of which are mentioned here:

1. Figure out how much you can afford
2. Know your rights
3. Shop for a loan
4. Learn about home buying programs
5. Identify Area you would like to buy a house for living
6. Make frequent independent visits to familiarize yourself
7. Get some first hand knowledge by talking to different people
8. Obtain information about schools and ethnics groups living in the area
9. Find out what is good and what is not so good

10. Shop for a Home
11. Make an offer
12. Get a Home Inspection
13. Shop for Home Owners Insurance
14. Sign Papers

Good Faith Estimate (provided by Lender(s))

Settlement Statement (closing document)

Lenders and settlement service providers will now have 30 days from the date of closing to correct errors or violations and repay consumers any overcharges.

Emergency Economic Stabilization Act (EESA) of 2008, Hope for Homeowners will provide additional mortgage assistance to struggling homeowners.

Modifications to HOPE for Homeowners include:

- Increasing the loan to value ratio (LTV) to 96.5 percent for some H4H loans
- Simplifying the process to remove subordinate liens by permitting upfront payments to lien holders; and
-
- Allowing lenders to extend mortgage terms from 30 to 40 years.

Tips for Avoiding Foreclosures

1. Don't ignore the problem
2. Contact your Lender as soon as you realize that you have a problem
3. Open and respond to all mail from your Lender
4. Know your mortgage rights
5. Understand foreclosure prevention options
6. Contact a HUD approved housing counselor
7. Prioritize your spending
8. Use your Assets
9. Avoid foreclosure prevention companies
10. Don't lose your house to foreclosure recovery scams

HUD Refunds

You do not need to pay another person or firm to assist you in collecting your refund or share payment

If you would like to read more about mortgage, you can find additional resources on the internet.