

# One Month of Blog Posts for mortgage and lending professionals

30 Posts

**Don't have time to blog...?**

**LoanSites' Professional Package will sign you up for us to post 1 new blog post every week on your lead generating website!**



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At LoanSites, we talk with Loan Officers and Mortgage Brokers every day and ask, “Is blogging an active part of your inbound marketing strategy?”

You’d think we had asked if you’d like to grow a second head. Here are some of the responses:

- I don’t have time to blog.
- I’m too busy getting people qualified and closing loans.
- I don’t know what to write about.

We hear you, blogging is difficult, but the benefits are HUGE! Did you know, **82% of companies who blog daily acquired a customer using their blog, as opposed to 57% of companies who only blog monthly.** (HubSpot State of Inbound Report, 2013)

It’s not a matter of IF you should be blogging—you should. The question is, what should you be blogging about when you are lacking the time?

Everyone has those days when writer’s block runs rampant. No matter how hard you try, you just can’t get words onto paper. We’ve put together a list of 51 blog ideas that you can write up in no time. These blog post ideas are designed with your SEO in mind, helping you write content that is relevant and frequently-searched.

These 30 posts will help jumpstart your inbound marketing. By publishing and promoting both educational and local content, you can boost your web traffic and improve your SEO.

## Don’t have time to blog...?

**LoanSites’ Professional Package will sign you up for us to post 1 new blog post every week on your lead generating website!**



### QUICKSTAT

**Once you write 21-54 blog posts, blog traffic generation increases by up to 30%.** Blogging isn’t a quick-fix, but an investment in the future of your business.

## Day 1: Baby Boomers Are On the Move

According to a Merrill Lynch study, “an estimated 4.2 million retirees moved into a new home last year alone.” Two-thirds of retirees say that they are likely to move at least once during retirement. As one participant in the study stated: “In retirement, you have the chance to live anywhere you want. Or you can just stay where you are. There hasn’t been another time in life when we’ve had that kind of freedom.” The top reason to relocate cited was “wanting to be closer to family” at 29%, a close second was “wanting to reduce home expenses” at 26%. A recent Freddie Mac study found similar results, as “nearly 20 percent of Boomers said they would move closer to their grandchildren/children compared to 13 percent who said they would move to a warmer climate.” There is a common misconception that as retirees find themselves with fewer children at home, they will instantly desire a smaller home to maintain. While that may be the case for half of those surveyed, the study found that three in ten decide to actually upsize to a larger home. Some choose to buy a home in a desirable destination with extra space for large family vacations, reunions, extended visits, or to allow other family members to move in with them. According to Merrill Lynch: “Retirees often find their homes become places for family to come together and reconnect, particularly during holidays or summer vacations.” Bottom Line: If your housing needs have changed or are about to change, meet with a local real estate professional in your area who can help with deciding your next step.



### QUICKSTAT

**81% of U.S. online consumers trust info and advice from blogs.** People do business with companies they trust. Blogging is a great way to build trust and be the resource they turn to when they need financial advice.

## Day 2: Rents Skyrocket at Highest Rate in almost a Decade

The Consumer Price Index (CPI) was released by the Labor Department last week. An analysis by Market Watch revealed the cost of rent was 3.8% higher than a year ago for the second straight month in June. That’s the strongest yearly price gain since 2007. This coincides with a report released earlier this month in which AxioMetrics announced that rents are continuing to increase in 2016. The report revealed: There was a 3.7% increase in effective rents in the second quarter of 2016 as compared to the same period last year. That the effective rent growth this quarter compared to last quarter was 2.3%. Annual effective rent growth was positive in 49 of the top 50 markets, based on number of units. Only Houston was negative, at -1.4%, as the fallout from energy-industry job losses and excess construction continues. Bottom Line: With rents continuing to rise and mortgage interest rates still at historic lows, meet with a local real estate professional who can help determine if you could turn your monthly rental cost into a home of your own.

## Day 3: A Homeowner’s Net Worth is 45x Greater Than a Renter’s!

Every three years, the Federal Reserve conducts a Survey of Consumer Finances in which they collect data across all economic and social groups. The latest survey, which includes data from 2010-2013, reports that a homeowner’s net worth is 36 times greater than that of a renter (\$194,500 vs. \$5,400). In a Forbes article, the National Association of Realtors’ (NAR) Chief Economist Lawrence Yun predicts that in 2016 the net worth gap will widen even further to 45 times greater. Put Your Housing Cost to Work for You. Simply put, homeownership is a form of ‘forced savings.’ Every time you pay your mortgage, you are contributing to your net worth. Every time you pay your rent, you are contributing to your landlord’s net worth. The latest National Housing Pulse Survey from NAR reveals that 85% of consumers believe that purchasing a home is a good financial decision. Yun comments: “Though there will always be discussion about whether to buy or rent, or whether the stock market offers a bigger return than real estate, the reality is that homeowners steadily build wealth. The simplest math shouldn’t be overlooked.” Bottom Line: If you are interested in finding out if you could put your housing cost to work for you by purchasing a home, meet with a real estate professional in your area who can guide you through the process.

## Day 4: Three Questions Every Buyer Should Ask Themselves

If you are debating purchasing a home right now, you are probably getting a lot of advice. Though your friends and family will have your best interest at heart, they may not be fully aware of your needs and what is currently happening in the real estate market. Answering the following 3 questions will help you determine if now is actually a good time for you to buy in today's market. 1. Why am I buying a home in the first place? This truly is the most important question to answer. Forget the finances for a minute. Why did you even begin to consider purchasing a home? For most, the reason has nothing to do with money. For example, a recent survey by Braun showed that over 75% of parents say "their child's education is an important part of the search for a new home." This survey supports a study by the Joint Center for Housing Studies at Harvard University which revealed that the four major reasons why people buy a home have nothing to do with money. They are: A good place to raise children and for them to get a good education. A place where you and your family feel safe. More space for you and your family. Control of that space. What does owning a home mean to you? What non-financial benefits will you and your family gain from owning a home? The answer to that question should be the biggest reason you decide to purchase or not. 2. Where are home values headed? According to the latest Home Price Index from CoreLogic, home values are projected to increase by 5.3% over the next 12 months. What does that mean to you? Simply put, if you are planning on buying a home that costs \$250,000 today, that same home will cost you an additional \$13,250 if you wait till next year. Your down payment will need to be higher as well to account for the higher home price. 3. Where are mortgage interest rates headed? A buyer must be concerned about more than just prices. The 'long term cost' of a home can be dramatically impacted by even a small increase in mortgage rates. The Mortgage Bankers Association (MBA), the National Association of Realtors, Fannie Mae and Freddie Mac have all projected that mortgage interest rates will increase over the next twelve months. Bottom Line: Only you and your family will know for certain if now is the right time to purchase a home. Answering these questions will help you make that decision.



**60% of consumers feel more positive about a company after reading custom content on its site.** Blogging is a great way to build up a positive and helpful reputation for your company and build trust with future clients.

## Day 5: Three Questions Most Buyers Don't Know the Answer To...

Whether you are considering the purchase of your first home or trading up to the home your family frequently fantasizes about, there are three crucial questions you must know the answer to: 1.) What is the minimum down payment required to purchase a home? 2.) What is the minimum FICO score required to qualify for a mortgage? 3.) What is the maximum Back-End DTI Ratio allowed? A survey conducted by Fannie Mae revealed startling information: most Americans don't know the answer to these three crucially important questions. Bottom Line: If you are considering purchasing a home, make sure you are aware of all your options before moving forward.

## Day 6: Would You Qualify for a Mortgage Now?

The widespread myth that perfect credit and large down payments are necessary to buy a home are holding many potential home buyers on the sidelines. According to Ellie Mae's latest Origination Report, the average FICO score for all closed loans in May was 724, far lower than the 750 or 800 that many buyers believe to be true. Not only do you not need a 750+ credit score, but 54.9% of approved loans actually had a score between 600 and 749. More and more experts are speaking up about the fact that if potential buyers realized they could be approved for a mortgage with a credit score at, or above, 600, the distribution in the chart above would shift further to the left. Ellie Mae's Vice President, Jonas Moe encouraged buyers to know their options before assuming that they do not qualify for a mortgage: "The high median credit score is due to many millennials believing they won't qualify with the score they have - and are therefore waiting to apply for a mortgage until they have the score they think they need." (emphasis added). CoreLogic's latest MarketPulse Report agrees that the median FICO score does not always tell the whole story: "The observed decline in originations could be a result of potential applicants being either too cautious or discouraged from applying, more so than tight underwriting as the culprit in lower mortgage activity." It's not just millennials who believe high credit scores and large down payments are needed. Many current homeowners are delaying moving on to a home that better fits their current needs due to a belief that they would not qualify for a mortgage today. So what does this all mean? Moe put it this way: "Many potential home buyers are 'disqualifying' themselves. You don't need a 750 FICO Score and a 20% down payment to buy." Bottom Line: If you are one of the many Americans who has always thought homeownership was out of their reach, meet with a local real estate professional who can help you start the process of being pre-qualified to see if you are able to buy now!

## Day 7: Homeownership Builds Wealth & Offers Stability

The most recent Housing Pulse Survey released by the National Association of Realtors revealed that the two major reasons Americans prefer owning their own home instead of renting are: They want the opportunity to build equity. They want a stable and safe environment. Building Equity: John Taylor, CEO of the National Community Reinvestment Coalition, explains that those who lack the opportunity to become homeowners have a weakened ability to reinvest their wealth: “We traditionally have been huge supporters of homeownership. We see it as a way to provide stability for households but also as an asset-building strategy. If you continue to be a renter, locked out of the homeownership arena, increasingly those things are further and further out of reach. They’re joined at the hip. They perpetuate each other.” Family Stability: Does owning your home really create a more stable environment for your family? A survey of property managers conducted by rent.com disclosed two reasons tenants should feel less stable with their housing situation: 68% of property managers predict that rental rates will continue to rise in the next year by an average of 8%. 53% of property managers said that they were more likely to bring in a new tenant at a higher rate than negotiate and renew a lease with a current tenant they already know. We can see from these survey results that renting will provide anything but a stable environment in the near future. Bottom Line: Homeowners enjoy a more stable environment and at the same time are given the opportunity to build their family’s net worth.



### QUICKSTAT

**On average, companies that blog receive 434% more indexed pages.** If you blog, search bots are more likely to stick around and see what else you may have. Plus people may blog about internal site features or content, so bots would be more likely to discover that.

## Day 8: Is It The Right Time to Put Your House on the Market?

Last week, the National Association of Realtors (NAR) released their Pending Home Sales Index, a forward-looking indicator of home sales based on contract signings. The report revealed that this May’s numbers weren’t quite as good as the year before: “With last month’s decline, the index reading is still the third highest in the past year, but declined year-over-year for the first time since August 2014.” The mainstream media ran headlines highlighting that the index had dropped for the first time in two years. Many read this as an indication that the housing market must be slowing down. If you were thinking that now may be the perfect time to put your house on the market, these reports may have caused you some concern. We want to alleviate that concern today. Lawrence Yun, Chief Economist at NAR, explained that it wasn’t a slowing of the market that caused the index to slip, but instead a lack of housing inventory: “Total housing inventory at the end of each month has remarkably decreased year-over-year now for an entire year. There are simply not enough homes coming onto the market to catch up with demand.” Bottom Line: Did the latest numbers from the Pending Home Sales Index cause you to question if now is a good time to put your house on the market? If anything, it indicated the exact opposite: that this may be the perfect time to sell!!!

## Day 9: Tips For Getting The Most Money When Selling Your House

Every homeowner wants to make sure they get the best price when selling their home. But how do you guarantee that you receive maximum value for your house? Here are two keys to ensuring you get the highest price possible. 1. Price it a LITTLE LOW. This may seem counterintuitive. However, let’s look at this concept for a moment. Many homeowners think that pricing their home a little OVER market value will leave them room for negotiation. In actuality, this just dramatically lessens the demand for your house. Instead of the seller trying to ‘win’ the negotiation with one buyer, they should price it so that demand for the home is maximized. In that way, the seller will not be fighting with a buyer over the price, but instead will have multiple buyers fighting with each other over the house. Realtor.com, gives this advice: “Aim to price your property at or just slightly below the going rate. Today’s buyers are highly informed, so if they sense they’re getting a deal, they’re likely to bid up a property that’s slightly underpriced, especially in areas with low inventory.” 2. Use a Real Estate Professional. This too may seem counterintuitive. The seller may think they would net more money if they didn’t have to pay a real estate commission. With this being said, studies have shown that homes typically sell for more money when handled by a real estate professional. Research posted by the Economists’ Outlook Blog revealed that: “The median selling price for all FSBO homes was \$210,000 last year. When the buyer knew the seller in FSBO sales, the number sinks to the median selling price of \$151,900. However, homes that were sold with the assistance of an agent had a median selling price of \$249,000 – nearly \$40,000 more for the typical home sale.” Bottom Line: Price your house at or slightly below the current market value and hire a professional. That will guarantee you maximize the price you get for your house.

## Day 10: Reasons to Buy Luxury Property This Year!

The housing market is hot, with prices rising as demand far outpaces supply in almost every region. However, when it comes to luxury real estate, things are quite different. In the upper-end market, inventory is plentiful in most locations. For that reason, prices haven't skyrocketed as they have in the lower and mid-tier markets. This, coupled with sensational mortgage rates, means that this may be the perfect time to purchase the luxury property you have always desired. Let's break it down into the three major reasons to act now: 1. There are more homes from which to choose. According to a recent Wall Street Journal article, inventory in the upper end is increasing, while it is decreasing at the lower and mid-tier price ranges. 2. Prices are becoming more reasonable. In a separate article, the Wall Street Journal also talked about prices in the luxury market. They explained that downward price adjustments have been more common in the luxury market than in markets with lower prices. They went on to say: "The growing number of price cuts suggests luxury-home sellers are becoming more realistic about property values as sales have slowed, said several real-estate veterans." Not only will you have more to choose from, but you may also be able to get the property at a reduced price. 3. Mortgage rates are at historic lows. In the past, one of the drawbacks to purchasing a luxury property was the larger mortgage rate on "jumbo" loans which are often required on high end properties. However, HSH.com just revealed that jumbo rates just set new record lows: "While conforming fixed-rate mortgages eased a little this week, 30-year fixed-rate jumbos declined enough to break into new record low territory (3.66%), besting the previous low set in April by two basis points." Bottom Line: More choices, better prices and historically low mortgage rates may make this the perfect time for you to own one of those luxury properties you and your family have always fantasized about.

## Day 11: Gap Between Homeowner's & Appraiser's Opinions Narrows

In today's housing market, where supply is very low and demand is very high, home values are increasing rapidly. One major challenge in such a market is the bank appraisal. If prices are surging, it is difficult for appraisers to find adequate, comparable sales (similar houses in the neighborhood that closed recently) to defend the price when performing the appraisal for the bank. Every month, Quicken Loans measures the disparity between what a homeowner believes their house is worth as compared to an appraiser's evaluation in their Home Price Perception Index (HPPI). The gap between the homeowner vs. appraiser's opinion has started to head in the right direction (closer to even), as June saw a slight decrease from May's -1.95% to -1.89% nationally. Homeowners in the western part of the country, however, have been pleasantly surprised as their homes have appraised higher than they expected. Denver received its highest HPPI last month as homes came in an average of 3.28% higher than the homeowner believed it would. Nine of the twelve metro areas that had a positive HPPI last month were located in the west. Quicken Loans' Chief Economist, Bob Walters explains: "The hot housing markets along the West Coast are growing quicker than owners realize, giving way to higher than expected prices for buyers and more home equity for existing owners. On the other hand, the housing markets are more balanced in the East and Midwest, leading owners to be slightly over-enthusiastic about their home's appreciation." Bottom Line: Every house on the market has to be sold twice; once to a prospective buyer and then to the bank (through the bank's appraisal). With escalating prices, the second sale might be even more difficult than the first. If you are planning on entering the housing market this year, meet with an experienced professional who can guide you through this, and any other, obstacle that may arise.

## Day 12: Do Homeowners Realize Their Equity Position Has Changed?

Yesterday, we reported that according to CoreLogic's latest Equity Report, nearly 268,000 homeowners regained equity and are no longer underwater on their mortgage in the first quarter. Homes with negative equity have decreased by 21.5% year-over-year. A study by Fannie Mae suggests that many homeowners are not aware of how their equity position has changed as their home has increased in value. For example, their study showed that 23% of Americans still believe their home is in a negative equity position when, in actuality, CoreLogic's report shows that only 8% of homes are in that position. The study also revealed that only 37% of Americans believe that they have "significant equity" (greater than 20%), when in actuality, 74% do! This means that 37% of Americans with a mortgage fail to realize the opportune situation they are in. With a sizable equity position, many homeowners could easily move into a housing situation that better meets their current needs (moving to a larger home or downsizing). Fannie Mae spoke out on this issue in their report: "Homeowners who underestimate their homes' values not only underestimate their home equity, they also likely underestimate: 1) how large a down payment they could make with their home equity, 2) their chances of qualifying for mortgages, and, therefore, 3) their opportunities for selling their current homes and for buying different homes." CoreLogic's report also revealed that if homes were to appreciate by an additional 5%, over 800,000 US households would regain positive equity. Bottom Line: If you are one of the many homeowners who is unsure of your current equity situation and would like to know your options, contact a local real estate professional who can help.

## Day 13: 74% of Households in the US Now Have Significant Equity

CoreLogic's latest Equity Report revealed that 92% of all mortgaged properties are now in a positive equity situation, while 74% now actually have significant equity (defined as more than 20%)! The report also revealed that 268,000 households regained equity in the first quarter of 2016 and are no longer under water. Price Appreciation = Good News for Homeowners Frank Nothaft, CoreLogic's Chief Economist, explains: "In just the last four years, equity for homeowners with a mortgage has nearly doubled to \$6.9 trillion. The rapid increase in home equity reflects the improvement in home prices, dwindling distressed borrowers and increased principal repayment. These are all positive factors that will provide support to both household balance sheets and the overall economy." Anand Nallathambi, President & CEO of CoreLogic, believes this is a great sign for the market in 2016 as well, as he had this to say: "More than 1 million homeowners have escaped the negative equity trap over the past year. We expect this positive trend to continue over the balance of 2016 and into next year as home prices continue to rise. Nationally, the CoreLogic Home Price Index was up 5.5% year over year through the first quarter. If home values rise another 5% uniformly across the U.S., the number of underwater borrowers will fall by another one million during the next year." Many homeowners with more than 20% equity in their home would be able to use that equity as a down payment on either a larger home or even a retirement home. Bottom Line: If you are one of the many Americans who are unsure of how much equity you have in your home, don't let that be the reason you fail to move on to your dream home this year!

## Day 14: Five Reasons You Shouldn't FSBO

In today's market, with home prices rising and a lack of inventory, some homeowners may consider trying to sell their home on their own, known in the industry as a For Sale by Owner (FSBO). There are several reasons why this might not be a good idea for the vast majority of sellers. Here are the top five reasons: 1. There Are Too Many People to Negotiate With. Here is a list of some of the people with whom you must be prepared to negotiate if you decide to For Sale By Owner: The buyer who wants the best deal possible. The buyer's agent who solely represents the best interest of the buyer. The buyer's attorney (in some parts of the country). The home inspection companies, which work for the buyer and will almost always find some problems with the house. The appraiser if there is a question of value. 2. Exposure to Prospective Purchasers. Recent studies have shown that 88% of buyers search online for a home. That is in comparison to only 21% looking at print newspaper ads. Most real estate agents have an internet strategy to promote the sale of your home. Do you? 3. Results Come from the Internet. Where did buyers find the home they actually purchased? 44% on the internet. 33% from a Real Estate Agent. 9% from a yard sign. 1% from newspapers. The days of selling your house by just putting up a sign and putting it in the paper are long gone. Having a strong internet strategy is crucial. 4. FSBOing Has Become More And More Difficult. The paperwork involved in selling and buying a home has increased dramatically as industry disclosures and regulations have become mandatory. This is one of the reasons that the percentage of people FSBOing has dropped from 19% to 8% over the last 20+ years. The 8% share represents the lowest recorded figure since NAR began collecting data in 1981. 5. You Net More Money When Using an Agent. Many homeowners believe that they will save the real estate commission by selling on their own. Realize that the main reason buyers look at FSBOs is because they also believe they can save the real estate agent's commission. The seller and buyer can't both save the commission. Studies have shown that the typical house sold by the homeowner sells for \$210,000, while the typical house sold by an agent sells for \$249,000. This doesn't mean that an agent can get \$39,000 more for your home as studies have shown that people are more likely to FSBO in markets with lower price points. However, it does show that selling on your own might not make sense. Bottom Line: Before you decide to take on the challenges of selling your house on your own, sit with a real estate professional in your marketplace and see what they have to offer.

## Day 15: Reasons Why Owning A Home Makes Sense Financially

We have reported many times that the American Dream of homeownership is alive and well. The personal reasons to own a home differ for each buyer, but there are many basic similarities. Eric Belsky is the Managing Director of the Joint Center of Housing Studies (JCHS) at Harvard University. He authored a paper on homeownership titled - The Dream Lives On: The Future of Homeownership in America. In his paper, Belsky reveals five financial reasons why people should consider buying a home. Here are the five reasons, each followed by an excerpt from the study: 1) Housing is typically the one leveraged investment available. "Few households are interested in borrowing money to buy stocks and bonds and few lenders are willing to lend them the money. As a result, homeownership allows households to amplify any appreciation on the value of their homes by a leverage factor. Even a hefty 20 percent down payment results in a leverage factor of five so that every percentage point rise in the value of the home is a 5 percent return on their equity. With many buyers putting 10 percent or less down, their leverage factor is 10 or more." 2) You're paying for housing whether you own or rent. "Homeowners pay debt service to pay down their own principal while households that rent pay down the principal of a landlord." 3) Owning is usually a form of "forced savings." "Since many people have trouble saving and have to make a housing payment one way or the other, owning a home can overcome people's tendency to defer savings to another day." 4) There are substantial tax benefits to owning. "Homeowners are able to deduct mortgage interest and property taxes from income...On top of all this, capital gains up to \$250,000 are excluded from income for single filers and up to \$500,000 for married couples if they sell their homes for a gain." 5) Owning is a hedge against inflation. "Housing costs and rents have tended over most time periods to go up at or higher than the rate of inflation, making owning an attractive proposition. Bottom Line: We realize that homeownership makes sense for many Americans for an assortment of social and family reasons. It also makes sense financially. If you are considering a purchase this year, contact a local professional who can help evaluate your ability to do so.



QUICKSTAT

**90% of consumers find custom content useful.** 78% of consumers believe that companies behind content are interested in building good relationships.

## Day 16: Serious About Home Buying? Get Pre-Approved

In many markets across the country, the amount of buyers searching for their dream home greatly outnumbers the amount of homes for sale. This has led to a competitive marketplace where buyers often need to stand out. One way to show you are serious about buying your dream home is to get pre-qualified or pre-approved for a mortgage before starting your search. But even if you are in a market that is not as competitive, knowing your budget will give you the confidence to know if your dream home is within your reach. Freddie Mac lays out the advantages of pre-approval in the My Home section of their website: "It's highly recommended that you work with your lender to get pre-approved before you begin house hunting. Pre-approval will tell you how much home you can afford and can help you move faster, and with greater confidence, in competitive markets." One of the many advantages of working with a local real estate professional is that many have relationships with lenders who will be able to help you with this process. Once you have selected a lender, you will need to fill out their loan application and provide them with important information regarding "your credit, debt, work history, down payment and residential history." Freddie Mac describes the 4 Cs that help determine the amount you will be qualified to borrow:

Capacity: Your current and future ability to make your payments

Capital or cash reserves: The money, savings and investments you have that can be sold quickly for cash

Collateral: The home, or type of home, that you would like to purchase

Credit: Your history of paying bills and other debts on time

Getting pre-approved is one of many steps that will show home sellers that you are serious about buying and it often helps speed up the process once your offer has been accepted. Bottom Line: Many potential home buyers overestimate the down payment and credit scores needed to qualify for a mortgage today. If you are ready and willing to buy, you may be pleasantly surprised at your ability to do so as well.

## Day 17: USDA Loans Apply to More “Rural” Areas Than You May Think!

USDA loans are backed through the Rural Housing Division of the U.S. Dept. of Agriculture. They are available to millions of eligible primary home buyers with low to moderate incomes or scarce funds for down payments. Features, benefits and things you need to know:

### Zero Down

No down payment is required for USDA loans.  
Thirty-year, fixed-rate loans with no pre-payment penalty are the norm.  
Rates are very competitive with conventional loans.

### Eligible Property

These loans are limited to “rural” areas, though you might be surprised by some of the suburbs of major metropolitan areas that qualify as rural.  
Homes should be modest in size and cost and constructed per local codes and regulations.

### Eligible Borrowers

Funds are available for qualified borrowers who earn up to 115% of the area median income. Even candidates who have had past credit issues with late pays, bankruptcies or foreclosure may be eligible.  
Borrower’s income must support the proposed payments and meet the program requirements for approval.  
Primary occupancy is required.  
This program is not for investment properties.

### Benefits

Minimum cash is needed to close  
The USDA Guarantee Fee and eligible closing costs may be financed. Gift money, grant money and seller contributions are allowed.

If you have questions, want to find out if you qualify or want to learn about areas that meet the rural designation criteria, please don’t hesitate to reach out. We’re happy to help.

## Day 18: Amoritiz-WHAT!?

You may be hearing terms throughout the home buying process that are vaguely familiar or completely foreign. One term that you may have heard is “amortization schedule”. Mortgage amortization refers to repaying a loan in equal installments.

These installments are made over a specified period of time. Although the payments are equal, the ratio between interest and principle varies a great deal over the life of your loan.

In the early years of a home loan, you are paying mostly interest with your installments. For example, you might borrow \$100,000 on a thirty year loan at six percent interest. You will make 360 payments of \$599.55 each month. In the first five to ten years the majority of your mortgage payment is applied to interest. In the second half of your loan term you’ll notice more of your payment shifting to principal and less to interest.

In summary, understanding mortgage amortization has to do with interest rates and how long the terms are. The longer the terms are, the lower the payments will be. However, you pay a great deal more interest with the longer loans. Give me a call or email us if you have more specific questions about amortization schedules.

## Day 19: Have you stopped by an Open House?

Want to know how to tour several homes for sale in one day, without an appointment?

Typically, every Saturday and Sunday your area Realtors Association will be hosting open houses throughout your community. Open houses are a great opportunity to walk through homes that you may potentially be interested in but not quite sure about. Once you tour the home, if it seems to be worth a second look, you can then schedule a full showing with you real estate agent at a later date. I hope this has been helpful to you! Reach out if there’s anything I can do for you! I’m here to help!

## Day 20: Wait... I have to pay closing costs?

I thought I should take a few minutes to explain the closing costs that are involved with a new mortgage. The process of obtaining a mortgage and buying a home is pretty detailed and there are many people and services involved in the transaction. I've broken down a few of the fees so you can better understand what the closing costs are paying for. The origination fee, simply stated, is the fee the mortgage lender is charging the purchaser for the preparation of the mortgage loan's documentation.

You would pay points at closing if you have chosen to reduce the interest rate on your mortgage up front. The total amount paid for points varies from loan to loan and from one financial institution to another.

The appraisal fee is the fee charged by an approved provider to provide an appraisal of the value of the property in the beginning of mortgage process. That fee varies by lender. We will collect a check from you at the initiation of the mortgage process for the appraisal. We file that check until the loan process is completed then either shred it, or give it back to you. The reason we collect the check up front is it cover the appraiser's fee in the event you do not proceed with the purchase of the home.

The underwriting fee will be the charge by the investor for all paperwork presented to hold the loan.

A wire charge is the cost transferred to the purchaser for wiring the money to the account.

Flood certification is the certification demanded when the home is not in a flood zone; otherwise flood insurance coverage is needed.

These are some of the items included in closing costs. Once I receive the your purchase contract, I will go over it with you explaining each section. Your original estimate should be fairly close to the final fees assessed.

As always, give me a call or send me an email if you have questions.

## Day 21: Appraisal vs. Home Inspection?

What exactly is an appraisal? A real estate appraisal, by definition, is an opinion of value given for a commercial or residential property and is necessary in many real estate transactions. An appraisal helps establish the property's value. Appraisals are performed by someone chosen in a rotation randomly. There is a short list of approved and very capable appraisers in our area that we use, however, we do not have control over who is assigned each appraisal.

What about a home inspection? Spending a little money for a home inspection could save you a lot of money down the road! So, how can a home inspection save you money? Think of it like a test drive of a car you are considering buying. Most people would not purchase a car based on appearance alone. Don't you want to take a look under the hood and give it a spin first? Not a bad idea to do the same for a home you are putting an offer in on. It's one of (if not the) biggest purchase you'll ever make. Unlike the appraisal, you select the inspector you want to hire. I can recommend someone if you are not sure who to hire. Let me know if you have further questions about home inspections or appraisals.

## Day 21: What in the world is a rate lock?

One of the major decisions we will make together is when to "lock" your loan. This isn't something you have to worry about right now but I thought I would take a few seconds to explain how this works. Once you find a home and have an accepted offer, you'll have the option to "lock in" an interest rate.

So, what does "lock" mean?

I often use the "Gasoline" analogy to describe the interest rate locking process. Locking your interest rate is a lot like getting gas at the pump. One day you drive by the gas station and gas is \$3.00 per gallon. You're not on empty so you drive right on by instead of filling up. Three days later you drive by the same gas station and now gas is \$3.30 per gallon. What happened? As you may know, the price of oil is constantly changing depending on economic conditions, the stock market and the rules of supply and demand. You're upset that it shot up so you take a chance and drive right on by again. Two days later you drive by the same gas station and now gas is \$3.05 per gallon. You pull over, fill up your tank and give yourself a high five for not settling for the higher price. Mortgage rates are very similar to gasoline. As the stock market changes from positives to negatives the interest rates that lenders offer can rise or fall accordingly. Luckily, you don't have to worry about your interest rate changing every month because before you finalize your mortgage, you'll be able to "lock" in an interest rate for the life of the loan. Unless of course you choose a variable interest rate, then your rate could change at specified intervals. If you're considering an adjustable interest rate be sure to talk to me about it so you completely understand the risks involved. Once you've got an accepted offer we can discuss your options on locking in an interest rate. Until then, happy home hunting!

## Day 22: Let The Kids Play A Role Too!

Do you have children that can lend a hand? Here are a few ideas on how you can get them involved:

Morning clean-up, evening clean-up

Set aside time in the morning and evening to do light dusting, vacuuming, as well as put things away where they belong. Start the dishwasher and the laundry, doing a load each day so it doesn't pile up. This way, when someone wants to see the house in an hour, you don't have to go crazy loading your car with eight laundry baskets of dirty clothes, or spend time scrubbing the bathroom floors.

Laundry Basket Game & Assign "Out the Door Tasks"

Someone wants to see the house in an hour but the kids just got home from practice, shedding items as they walked through the house! That's OK. Make it a game and have the kids put all the toys and other items that are "out" into laundry baskets and take the baskets with you when you leave for the showing. Older children can help with sweeping, turning on lights and younger kids can close toilet lids, do last minute dusting, and help pull loaded laundry baskets to the car as you are all rushing out the door.

Arrange with your real estate agent to have 30 minutes to an hour's notice before a showing! Then have a written plan!

Who is in charge of what during the 30 – 60 minutes?

Little Susie picks up toys and puts them in the toybox.

Johnny gathers all the dirty laundry he can find and tosses it into the empty dryer.

Do "Someone's Coming" Drills with the kids. Practice the drill.

Make it fun!

You could come up with a little song that you all sing as you are cleaning the house for a showing. Let us know if we can help you with your home buying, selling or refinancing!

## Day 23: Sweeten the Pot!

Are you having any interest in your home? Before you think about a price reduction, you may want to consult with your real estate agent about sweetening the deal a little for potential buyers.

Some people offer to pay closing costs. We've all heard about closing cost credits, but those are almost so common now that buyers expect them – they don't really distinguish your house from any of the other homes on the market anymore.

What can distinguish your home is leaving behind some of your personal property, ideally items that are above and beyond what the average homebuyer in your home's price range would be able to afford. That may be stainless steel kitchen appliances or a plasma screen TV, or it might be a golf cart if your home is on a golf course.

It's one more thing you won't have to move and may be just the ticket for selling your home! With that said, understand that if you offer up too many items it could affect your buyers ability to borrow all of the money needed to buy your home. There are limits in what you can leave behind but this should get you thinking about something to could make a difference!

Contact us for more info!

## Day 24: What is a Home Inspection? Is it Required?

If you are house hunting, you may have heard the term "home inspection". Spending a little money for a home inspection could save you a lot of money down the road! Is it required? No, but it could save you money in the long run.

Think of it like a test drive of a car you are considering buying. Most people would not purchase a car based on appearance alone. Don't you want to take a look under the hood and give it a spin first? Not a bad idea to do the same for a home you are putting an offer in on. It's one of (if not the) biggest purchase you'll ever make. Unlike an appraisal, you select the inspector you want to hire! I can recommend someone if you are not sure who to hire. Let me know if you have further questions about home inspections! I'm here to help!

## Day 25: The Anatomy of the Mortgage Loan Process

Some start the whole process of getting a mortgage once they've found a home they'd like to put an offer on. I highly recommend starting with steps one and two before you start looking. Sellers appreciate offers from buyers who have already been pre-qualified for a mortgage. It's sometimes the edge over an offer from an interested buyer who has not even started the mortgage process.

### Step 1 – Apply for Pre-Qualification

With the help of some basic personal information and a credit report; you and your loan officer will determine what size loan you would qualify for to borrow and what is most suitable to your budget.

### Step 2 – Initial Underwriting

After pre-qualification – I will collect documentation, including proof of income, and submit your file to a processor, who will organize information for initial underwriter approval. Your file goes to an underwriter, who acts as the judge and jury for you loan approval. If everything's within the guidelines, you'll be "conditionally approved".

### Step 3 – Get Official Property Approval

If you are making a purchase, I wait for the offer to be made and accepted. Meanwhile, the processor will order a title report and an appraisal report, confirming we are good for a legal transfer on a property that is in working order. These reports then go to the underwriter.

### Step 4 – Final Loan Approval

All reports and documents go back to the underwriter for final sign off. Don't worry if additional documentation is requested by the underwriter; it's not uncommon and that's what a great mortgage team will help you with!

### Step 5 – Go to the Title Office to Sign Final Documents

You're now in the clear to close! We will create paperwork for you to sign to make it official. It is then sent to the title office. Get your pen ready because it's time to sign! You'll sign on the dotted lines and bring any remaining cash that may be needed for closing. (this is not always the case – it depends on your specific mortgage scenario). All signed and notarized docs, including the deed, are sent to funding . Funding usually takes place 24-24 hours after closing, Our loans are typically funded before you leave the title company! The signed deed gets filed at the courthouse.

### Step 6 – Receive Funding and Home Ownership

Once escrow releases the money to the seller, and ownership is officially registered; you will receive the keys to your new home!

You should feel comfortable with your mortgage banker. We pride ourselves on the amount of referrals we receive from former customers due to a good experience with us. I hope you'll give us a chance to make your mortgage transaction a smooth one.

## Day 26: "Don't" House Hunting Tips:

Don't hesitate to look in drawers, cupboards and closets if you are at all interested in the home. Open every door. You could miss whole rooms and large storage areas by not opening a door you assume goes to a closet. You're not being nosy, you're gathering information. Rest assured that the sellers have had ample notice to straighten up those spaces in anticipation of your poking around.

Don't be hesitant to ask questions. If you see something in disrepair, such as worn carpet or marked up walls; have your agent find out if the seller is willing to repair them. This is sometimes added to an offer to purchase as a condition. It can't hurt to ask up front if you are at all interest in the property.

Don't think you can offend your real estate agent. It's not their house they are showing you. Don't be timid or polite and omit a criticism or concern you have. Doing so can result in you seeing more of the same, which is a waste of everybody's time. Good luck on your house hunt! If you find a home you are interested in, give me a call. I can run numbers for you to see what kind of payment scenario you are looking at. Even if you're approved somewhere else, give me a call and I'll be happy to give you a second opinion!

## Day 27: Share Your Listing!

Did you know that 92% of homebuyers start their house hunt online? They will never even get in the car to come see your home if your online presence isn't compelling enough. Do you want to sell your home now? Then take a few minutes to help spread the word online! Now's a great time to reshare your property's custom website that your Realtor made for you and you saved it to your favorites a month ago. I recommend sharing that link on your social media accounts today. Encourage your friends to share it as well. Your agent is working hard for you as we speak! It can't hurt for you to promote your own property for sale too! If you, or anyone you know, is in the market to purchase a home; I would be honored to help. Let me take the guesswork out of your mortgage options.

## Day 28: Have Kids or Pets? Something to Think About...

Clean up toys! Of course there will be families with children looking at your home, but just because they have kids too doesn't mean seeing toys strewn everywhere will sell them on the place. When people are house hunting, they are imagining a fresh start. Show them that in this house, it is possible to have a beautifully organized kids' room, and they might be swayed. Beware of pet odors! Really, this can be a big one! If you have pets, get all rugs steam cleaned and be extra vigilant about vacuuming and washing surfaces. Also be sure to keep any extra-loved pet toys and doggie bones hidden when tours are scheduled.

If you are in the market to purchase a new home, give me a call. I'm only a call, tweet, Facebook message or email away!

## Day 29: Will a VA Loan Help You?

You've served the U.S., now let us serve YOU! Veteran's Administration or "VA" loans are available for active, non-active and retired Army, Air Force, Marine, Navy, National Guard and Coast Guard vets who meet the established service requirements: 100% financing/No down payment, No monthly mortgage insurance (PMI), Gift funds acceptable for closing costs, No cash reserve requirements, A variety of terms or loan types available, Available for purchase and refinance. Reduced costs for disabled veterans, Seller can pay for closing costs, Seller pays for any required repairs, No pre-payment penalty. To determine your ability to participate in this program, just provide your Certificate of Eligibility (COE) or your Discharge/Separation form (DD214). If you do not have your COE, you can request one using form 26-1880.

Reach out using the contact info below, and I'll be happy to explain the details and answer any questions.

## Day 30: Jumbo Loans Are Here!

Have you taken advantage of the great rates available on Temporary High Balance or Agency Jumbo loans? If not, you may need to do so sooner rather than later. With these loans, Fannie Mae and Freddie Mac are authorized to purchase mortgages that are up to 125% of certain high-cost areas' median home values, not to exceed a preset limit. Implemented as part of the 2008 stimulus package, these loan offerings were intended as a temporary measure. They have already been extended once, and limits have been reduced. How much longer they will remain available is not certain yet, but there's already talk of their ending very soon. Because Fannie and Freddie are government sponsored, the rates they offer are likely lower than private entities could afford. With Washington's current political climate, however, there is talk of the need for private market lenders to step in to provide financing over the normal conventional limits. As long as your tax dollars are still providing for the existence of these loans, you may want to take full advantage of the lower rates they offer. The opportunity is here now for purchasing, refinancing, consolidating debts, paying for college, or making home improvements, but the clock is ticking. The current maximum loan amounts vary by area...

I'll be happy to speak with you to assess the possible benefits and applicability for your personal situation.