

Los Angeles Times

Refinancing now could be better than waiting for mortgage rates to drop further

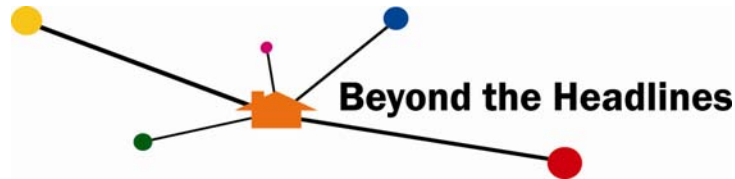
Mortgage rates on 30-year, fixed rate loans are hovering near the lowest level on record since 1951. While some home buyers are putting their home purchases on hold hoping rates will go even lower, many industry experts are advising homeowners with rates in the upper 4 percent range to refinance.

KEEP THIS IN MIND

- Homeowners with rates in the upper four percent range are likely to benefit from refinancing, according to Peter Ogilvie, president of First Residential Mortgage Corp. in Santa Cruz, Calif. He says refinancing to a lower rate often produces monthly savings, as long as the borrower can qualify under today's industry credit guidelines and loan-to-value underwriting standards.
- Some homeowners also may be good candidates for no-cost refinancing, where the title, escrow, and lender closing charges either are added to the mortgage principal balance or paid for over time with a slightly higher rate. The upsides to this option are reduced monthly payments, improved cash flow, and no outset of dollars at settlement.
- Borrowers who want to become debt-free faster and can afford it, ought to consider refinancing out of a 30-year term loan into a 15-year term. Fifteen-year mortgages carry lower rates than 30-year loans, but their faster amortization schedules require higher monthly payments.
- When considering whether refinancing is the best option, consumers are advised to take into account all of the fees associated with the refinance and decide if the money saved is worth the cost of the refinance.

Read the full story:

<http://www.latimes.com/business/realestate/la-fi-harney-20101114,0,6276584.story>



In Other News...



The Washington Post

States, mortgage lenders in talks over funds for borrowers in foreclosure mess

State attorneys general and the country's biggest lenders are negotiating to create a nationwide fund to compensate borrowers who can prove they lost their home in an improper foreclosure, state and industry officials said.

Read the full story:

<http://www.washingtonpost.com/wp-dyn/content/article/2010/11/16/AR2010111607100.html>



The New York Times

Mortgage preapproval is harder to get

When properly done, mortgage preapproval can speed up the purchase process by providing a rigorous assessment of the maximum amount a buyer can afford to borrow, based on a formal credit check and verification of income and assets.

Read the full story:

http://www.nytimes.com/2010/11/14/realestate/mortgages/14Mort.html?_r=1&ref=realestate



The Sacramento Bee

First-time home buyer index rises slightly

The CALIFORNIA ASSOCIATION OF REALTORS® First-time Buyer Housing Affordability Index released Monday said the percentage of buyers who could afford to purchase an entry-level home in California stood at 66 percent in the third quarter, up from 65 percent in the second quarter and 64 percent in last year's third quarter.

Read the full story:

<http://www.sacbee.com/2010/11/17/3191095/first-time-homebuyer-index-rises.html>



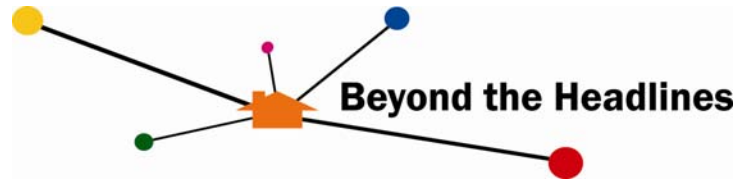
Los Angeles Times

Home seizures decline 9 percent in October

Lenders repossessed 9 percent fewer homes in October, an indication that the foreclosure freezes put in place by several major banks could be slowing the record pace of home seizures this year, if only temporarily.

Read the full story:

http://www.latimes.com/business/la-fi-foreclosure-20101111_0,1857948.story



San Diego Union-Tribune

California consumers have nation's highest credit score

California consumers have the nation's best credit scores, according to a study by CreditKarma.com.

Read the full story:

<http://www.signonsandiego.com/news/2010/nov/10/california-consumers-have-nations-highest-credit-s/>



CNN Money

Home prices expected to slide another 8 percent

The robo-signing controversy is just another issue that the already sluggish housing market didn't need – but most analysts do not think it will have far-reaching impact.

Read the full story:

http://money.cnn.com/2010/11/01/real_estate/housing_market_state/index.htm



Los Angeles Times

Shared homeownership could mean paying your neighbors' bills

For those who have a lot of cash or can get credit, this could be an ideal time to buy a house – the foreclosure crisis has pushed prices down and interest rates are way low.

Read the full story:

<http://www.latimes.com/business/la-fi-perfin-20101107.0,921835.column>



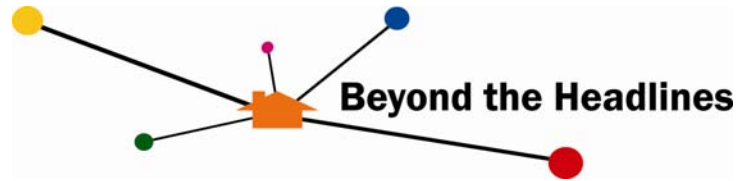
The New York Times

At legal fringe, empty houses go to the needy

In a sign of the odd ingenuity that has grown from the real estate collapse, a businessman in Florida is banking on an 1869 Florida statute that says the bundle of properties he has seized will be his if the owners do not claim them within seven years.

Read the full story:

http://www.nytimes.com/2010/11/09/us/09foreclosure.html?_r=1&scp=1&sq=%22At%20legal%20fringe.%20empty%20houses%20go%20to%20the%20needy%22&st=cse



What you should know about the market

- The CALIFORNIA ASSOCIATION OF REALTORS® (C.A.R.) this week issued its third quarter First-time Buyer Housing Affordability Index (FTB-HAI), which indicates the percentage of households in California who could afford an entry-level home in the state during that period.
- The percentage of first-time buyers who could afford to purchase an entry-level home in California stood at 66 percent in the third quarter of 2010, according to C.A.R.'s FTB-HAI. In the second quarter of 2010, the Index was a revised 65 percent and was 64 percent in the third quarter of 2009.
- First-time buyers, who tend to purchase homes equal to 85 percent of the prevailing median price, needed to earn a minimum annual income of \$42,300 to qualify for an entry-level home of \$266,620 during the third quarter of 2010. The monthly payment, including taxes and insurance, was \$1,410, assuming a 10 percent down payment and an adjustable effective interest rate of 3.66.
- At 85 percent, the High Desert region was the most affordable area in the state. The San Francisco Bay region was the least affordable in the state at 51 percent, followed by the Santa Barbara area and the Santa Clara County regions, both at 53 percent.