



Mike's Home News

Senior Mortgage Advisor
(818) 308-6473 Direct or (818) 481-9439 Cell

Are Words Losing Their Magic?

The most powerful ideas in human history have one thing in common – they're all based on words. From religious doctrines to political constitutions to famous speeches that have broken down walls and created worlds, words have a long history of forging futures.

So, what is it about words that give them the ability to shape perspectives?

Rooted in oral tradition, words have always communicated importance. From oral traditions to the written word, words were luxuries available only to the elite. That is, until the printing press made it possible for them to be distributed almost as soon as they were written.

Today, words are shared as they're conceived, and technology has made it possible to fire these "thought-rockets" around the world at devastating speeds.

That same technology has quickened the pace of the world. We do more, say more, share more – but does that mean we're thinking more?

Among social media, digital media and broadcast media, words are hurled randomly into cyberspace with meanings twisted and distorted. Indeed, we're littered with words, but how many of them actually matter?

Ironically, even though we're exposed to more words today than ever before, fewer move us as did the words and works of the great orators of the past. Are words losing their magic?

Insurance??

Purchasing a home is the single biggest and most important investment of your life. Choosing the right insurance to protect that investment is the next most important decision.

Ask Barri what you need to know. 818-334-5577
State Farm Insurance Agent

Offer Today's Rates to Future Buyers for a Selling Edge

In buying a new property or refinancing your existing home, you may be looking down the road to a time when you may want to sell.

With mortgage rates at historical lows, it would give you a definite edge if your mortgage (and its low rates) can be transferred to new owners. So if you are planning to finance or refinance a property, consider the fact that a Federal Housing Administration (FHA) mortgage is "assumable".

"Assumability" means that a new owner can effectively take over your mortgage payments. And this could be extremely important to you if interest rates were to climb significantly over the next few years. Assumability allows you to offer potential buyers a mortgage with payments well below market rates. Of course, the buyers of your home would still have to be able to qualify for the mortgage before they could assume that debt.

In turning over your mortgage to new owners, you are protected from liability because documents that are signed at closing release you from any liability connected to your former mortgage. Should the new owners default, thanks to these documents you're off the hook.

As good as this sounds, consider the options carefully. You should be aware that, if you qualify for a conventional mortgage, it could prove more attractive than an assumable FHA mortgage; often a conventional mortgage will have significantly reduced or no mortgage insurance, cutting your mortgage payments and possibly offsetting the benefits of an FHA loan. Ensure you discuss your individual situation with your mortgage professional.

NEWS YOU CAN USE

Mike Owens
(818) 308-6473

Buying After a Short Sale or Foreclosure

We're all guilty of bad judgment at one time or another. But whether it's bad judgment or bad luck, being unable to make your mortgage payments has the same result. You lose your home.

You may have declared bankruptcy, sold your home through a short sale or gone through a foreclosure. As a result, your credit has been affected to a greater or lesser extent. And this may make it difficult to purchase another property.

Here are some of the things you need to be aware of when thinking about financing your next home:

In picking a mortgage program, your best bet is to look first at Federal Housing Administration (FHA) home loans, then at conventional mortgages. The FHA is more lenient in its guidelines than Fannie Mae is, so we'll focus on FHA loans.

Bankruptcies: There are two basic types of bankruptcies: one where debt is

wiped clean (Chapter 7) and one where there is a payment plan (Chapter 13). In general, you'll need to wait to get a loan; for two years after the discharge date of a Chapter 7 bankruptcy and one year after Chapter 13, providing you can prove that payments have been made on time.

Short Sales: In this situation, you sold your home for less than you owe and the lender took a loss on the property. Waiting time for an FHA loan is three years. In most cases, and depending on your credit scores, you'll need a minimum down payment of 10%.

Foreclosures: You can apply for an FHA loan three years after the foreclosure is complete. Extenuating circumstances that may reduce this time include being unable to sell your home when relocating due to a job change or some hardship that is unlikely to recur, such as a medical leave due to unforeseen circumstances that caused a lapse in income. In both cases, you will need proof.

Are You Managing Your Finances Wisely?

Are you paying too much for your mortgage? Is your money being invested wisely?

If you're curious about how you could save money every month, why not see if I can help you?

Just give my office a call for a no-fuss, professional consultation. I won't try to push you into making any quick decisions and I won't waste your time.

I'll just give you the facts about your financial situation. And maybe I'll save you a few dollars along the way! Just give my office a call at 818-308-6473 to arrange an appointment.

Tennis Tip

Are any of you out there still playing singles? It's a great game but knowing some basic strategy will help. The deeper you can keep your ball in your opponent's court, the less often they will be able to boss you around. If you hit shorter in their court, you make it easier for them to dictate play. Keep it deep until they hit short in your court and then you can be the boss. Enjoy

This newsletter and any information contained herein are intended for general informational purposes only and should not be construed as legal, financial or medical advice. The publisher takes great efforts to ensure the accuracy of information contained in this newsletter. However, we will not be responsible at any time for any errors or omissions or any damages, howsoever caused, that result from its use. Seek competent professional advice and/or legal counsel with respect to any matter discussed or published in this newsletter.

Call Me Today For All Your Home Financing Needs!



24018 Lyons Avenue - Newhall, CA 91321

Mike Owens

SENIOR MORTGAGE ADVISOR

Mike.Owens@AugustaFinancial.com

Direct: 818-308-6473

Cell: 818-481-9439

eFax: 818-369-6878

DRE #01820101 | NMLS #240024

