

The Wall Street Journal

Five mistakes home buyers make

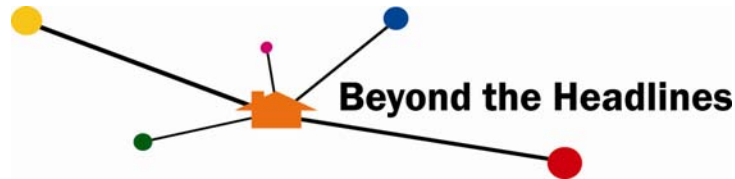
Affordable home prices and historically low interest rates have created an ideal situation for many qualified first-time home buyers to purchase a house. Despite this opportunity, some buyers may be overconfident and make mistakes during the home-buying process.

KEEP THIS IN MIND

- Some first-time buyers are unaware of the vast amount of paperwork and negotiations that go into purchasing a home. As a result, buyers may think they can save money by forgoing the use of a REALTOR®. However, managing the nuances of offers, inspections, financing, and other pivotal steps when buying a home often causes confusion and anxiety for buyers. Working with a REALTOR®--who is obligated to put the buyer's best interests first--will help to alleviate buyer concerns during this process.
- Online mortgage calculators can help buyers estimate the amount of house they can afford, but calculators should not be the sole source for mortgage-approval information. Buyers are advised to meet with a mortgage broker or banker prior to beginning the home search to help determine the loan amount for which they are most likely to be approved.
- Although there is a large selection of homes available for sale, home buyers should not assume they can make low offers or unreasonable demands. Even in hard-hit housing markets, homes in desirable neighborhoods are receiving multiple offers.

To read the full story, please click here:

http://online.wsj.com/article/SB10001424052748703579804575441472748516734.html?mod=WSJ_hpp_sections_realestate



In Other News...



Sacramento Bee

Housing slump isn't as bad as some headlines say

In recent days, housing news has again turned relentlessly grim.

To read the full story, please click here:

<http://www.sacbee.com/2010/08/27/2986166/home-front-housing-slump-isnt.html>



Los Angeles Times

Fannie Mae says lenders must verify mortgage applicants' debt loads before closing

Despite earlier reports to the contrary, it turns out that mortgage lenders will not have to pull a second full credit report hours before closing on a home purchase or refinancing.

To read the full story, please click here:

<http://www.latimes.com/business/realstate/la-fi-harney-20100829,0,7849460.story>



The Wall Street Journal

Paying off the house in 15 years

A growing number of homeowners are choosing to pay down their mortgages at a faster rate – even if it means a substantial jump in their monthly payments.

To read the full story, please click here:

http://online.wsj.com/article/SB10001424052748703669004575458203846437616.html?mod=WSJ_RealEstate_LeftTopNews



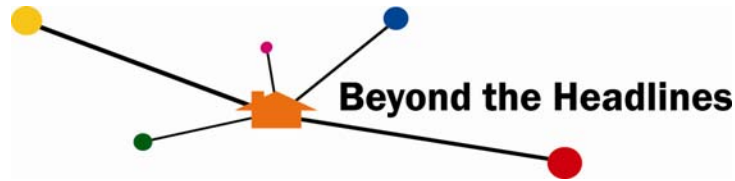
The New York Times

Rethinking adjustable-rate mortgages

Adjustable-rate mortgages, or ARMs, got a bad name in the recent credit crisis, as underqualified borrowers lured by years of low fixed-interest payments fell behind when interest rates rose.

To read the full story, please click here:

http://www.nytimes.com/2010/08/29/realstate/29mort.html?_r=1&ref=realstate



CNN Money

Home prices gain 3.6 percent in past year

National home prices jumped a substantial 3.6 percent in the past year, according to the S&P/Case-Shiller Home Price Index released Tuesday. Prices also climbed 4.4 percent in the second quarter compared with a 2.8 percent plunge in the first quarter.

To read the full story, please click here:

http://money.cnn.com/2010/08/31/real_estate/June_Case_Shiller/index.htm



Los Angeles Times

Diving home sales stoke new worries about economic recovery

Home sales fell 27.2 percent nationwide in July from a month earlier, the NATIONAL ASSOCIATION OF REALTORS® reported.

To read the full story, please click here:

<http://www.latimes.com/business/la-fi-home-sales-20100825,0,356280.story>



CNN Money

Surprise! Banks help more homeowners than Obama

Banks have realized that foreclosing on home after home after home may not be in anyone's best interest – least of all their own. So they've ramped up the number of loan modifications they're handing out to their delinquent clients.

To read the full story, please click here:

http://money.cnn.com/2010/08/30/news/economy/foreclosure_modifications/index.htm



Los Angeles Times

Foreclosures of million-dollar-plus homes on the rise

After the mortgage meltdown and the plunge in home prices, record numbers of ordinary houses tumbled into foreclosure across Southern California as borrowers became unable or unwilling to pay their mortgages. But the rich aren't so different after all: Million-dollar-plus homes have reverted to lender ownership in increasing numbers—previous sales prices, prime locations, and even celebrity pedigrees have provided no immunity.

To read the full story, please click here:

<http://www.latimes.com/business/realestate/la-fi-luxury-foreclosures-20100829,0,7308058.story>