



# Now is the Time to Refinance or Purchase

**N**ow is a great time to refinance your mortgage at an institution where you can be certain that your most valuable asset is safe. Despite the troubles that many mortgage lenders have faced, most credit unions have employed conservative lending practices and continue to be the best place for your mortgage loan.

## Jumbo-conforming loans with higher limits now available

Now you may be able to refinance your mortgage at less than the jumbo rate. Three new loan segments are now being offered as part of The Economic Stimulus Act of 2008 which was signed into law on February 13, 2008. This package establishes temporary increases to Fannie Mae's conventional loan limits for first lien mortgage loans in high-cost areas such as Los Angeles and Orange Counties. This new legislation is intended to bring stability, liquidity, and affordability to an important part of the housing finance system. Program types vary and minimum FICO score restrictions apply.

## Three new loan limit segments are now being offered:

- Conforming—maximum loan limits \$417,000
- Jumbo-conforming— maximum loan limits \$729,750
- Super jumbo—any loan greater than \$729,750

## Finding the best mortgage

Shopping for an interest rate is no simple matter. You'll want to make sure your entire loan package serves your needs for today and the long run. When comparing mortgages, ask these questions to find the best home loan program for you.

## Can I lock in this rate today?

If the person on the other end of the line starts hemming and hawing, you've got your answer.

## Will you receive a free rate float down?

With a rate float down, you are given the opportunity to lock in your rate, then receive a lower rate if rates drop.\*

## What's the APR on the rate you're quoting?

The Annual Percentage Rate (APR) is an indicator of the rate plus fees, and that's what you should use in comparing interest rates to avoid lenders who quote a low rate but make up for it with excessive fees.

## What are your fees?

Which are third party expenses and which are lender fees? How much is the application fee? Does it include lender and/or appraisal? If the loan is denied, will the application fee be refunded? Fees can be confusing, so don't hesitate to ask questions and get clarification from each lender you call.

## Can you give me the names of three customers who closed loans with you recently?

You should have no problem getting at least three references from a lender people are generally satisfied with.

## It's a buyer's market, but you still need a pre-approval

Short sales and foreclosure sales move quickly and a pre-approval will keep you in contention for the house you really want. Before you even start visiting open houses and having a realtor show you neighborhoods, get a pre-approval from a lender. Not only will you be more confident during the shopping process, you'll know whether the home of your dreams will become a reality.

## Having a pre-approval:

- Gives you more control
- Makes your offer more attractive
- May give you priority consideration
- Speeds up the entire lending process

With a pre-approval, you'll know exactly what you can afford. Not only will your search be more focused, but your offer will be stronger. **HB**

*Irene Lizarraga, Real Estate Consultant at NuVision Federal Credit Union, is an expert in new purchases, re-financing, and investment properties. NuVision is a full-service financial institution and is the Official Credit Union of Surf City USA. For more info, call (714) 375-8274 or (800) 444-6327. And don't forget to ask how about the Circuit City gift cards you may qualify for when your loan funds.*

*\* Many mortgage lenders charge a fee to change your rate once you are locked in. But at NuVision, you'll receive a one time free float down when you lock in your rate. This ensures you receive the best possible rate during this volatile market when rates can change daily.*