

CNN Money

After foreclosure: How long until you can buy again?

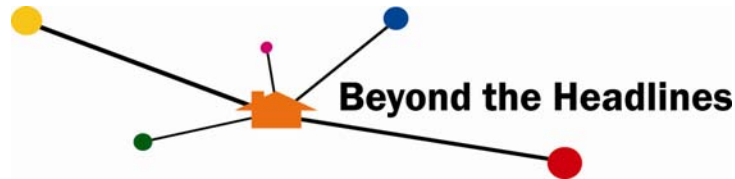
Financing a home after foreclosure is possible for most homeowners. Those who default on their mortgages due to economic hardships, such as job loss, may receive approval for another mortgage in as little as two years, while it may take more than seven years for strategic defaulters to be approved.

KEEP THIS IN MIND

- Lenders utilize several methods in determining whether to grant mortgages, including the amount of money borrowers have saved; employment histories; and payment history.
- According to the chief economist with the Mortgage Bankers Association, lenders may be more willing to finance a mortgage for a borrower who defaulted on their mortgage as a result of factors beyond their control.
- Some homeowners who strategically default—intentionally not meet their mortgage obligations although they have the financial means to do so—assume they can raise their FICO scores by paying their other bills on time. However, most future loan underwriters will scrutinize their records very closely, and if they determine the borrower strategically defaulted on their previous mortgage, the repaired credit score will not overshadow the walkaway.
- Although not impossible for strategic defaulters to finance another home purchase, it likely will be more difficult. Lenders may ask for down payments of 30 percent or more to provide sufficient collateral to enable the bank to recoup most of its money in a foreclosure. These borrowers also may be charged higher interest rates, even above the levels other borrowers with similar credit scores would receive.

To read the full story, please click here:

http://money.cnn.com/2010/05/28/real_estate/homebuying_after_foreclosure/index.htm
http://money.cnn.com/2010/05/28/real_estate/homebuying_after_foreclosure/index.htm



In Other News...



Los Angeles Times

Seller concession rules for FHA mortgages to be changed

One of the key attractions of FHA home mortgage financing is going, going, but not quite gone. Sellers and buyers who move fast can still make the most of it.

To read the full story, please click here:

<http://www.latimes.com/business/la-fi-harney-20100530,0,463085.story>



The New York Times

Private mortgage insurance easier to obtain

With private mortgage insurance considerably tougher to get last year than at any point in decades, many borrowers flocked to loans insured by the Federal Housing Administration.

To read the full story, please click here:

<http://www.nytimes.com/2010/05/30/realestate/30mort.html?ref=realestate>



The Wall Street Journal

More bank-owned homes likely to hit the market

It's a bit like guessing how many pennies are in a gallon jug at the state fair, but housing analysts keep trying to count how many foreclosed homes bank and mortgage investors own.

To read the full story, please click here:

<http://blogs.wsj.com/developments/2010/05/28/more-bank-owned-homes-likely-to-hit-the-market/>



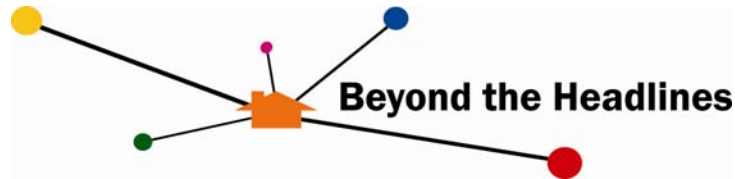
The Wall Street Journal

Luxury sales bounce back

After a near-disastrous 2009, the luxury market appears to be making a comeback, driven by growing buyer confidence, improved financing conditions, and more-realistic seller pricing.

To read the full story, please click here:

http://online.wsj.com/article/SB10001424052748704717004575268573660359734.html?mod=WSJ_Real+Estate_LeftTopNews



CNN Money

Want a loan modification? Get your paperwork ready.

Attention delinquent borrowers: If you want to get into the Obama administration's mortgage modification program, you'd better have your paperwork ready.

To read the full story, please click here:

http://money.cnn.com/2010/05/28/news/economy/loan_modification_paperwork/index.htm



San Diego Union-Tribune

Mortgage rates and a choice

With mortgage rates again nearing their 50-year low, would-be buyers and homeowners have to make a choice: Buy or refinance now and lock in the rate; wait and hope rates sink even lower, as some economists are expecting; or watch rates rise to as much as 5.5 percent, as other economists predict, and make up the difference by an expected 5 percent dip in home prices.

To read the full story, please click here:

<http://www.signonsandiego.com/news/2010/may/27/mortgage-rates-and-choice/>



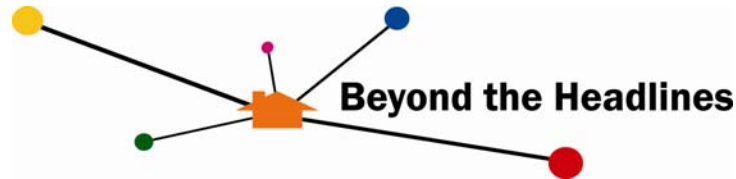
msnbc.com

Recovery reaches New York, L.A.

The recovery has finally begun in the nation's two largest metro areas, New York and Los Angeles, according to the latest Adversity Index data from Moody's Economy.com and msnbc.com.

To read the full story, please click here:

http://www.msnbc.msn.com/id/37326964/ns/business-eye_on_the_economy



What you should know about the market

- When applying for a home loan, one of the factors lenders consider is the percent of the borrower's income used for housing expenses, as well as the borrower's other non-housing related debt. Although this amount can vary by lender, typically lenders consider a housing-and-debt to income ratio of less than 40 percent as ideal.
- During the recession, some companies changed staffers from salaries or hourly wages to commission-based. This can make financing a home more difficult as most lenders do not include commission income when evaluating a borrower's eligibility for a home loan, unless the borrower has been earning commissions for at least two years.

Source: MSN Money

<http://articles.moneycentral.msn.com/Banking/HomeFinancing/weston-10-things-that-can-kill-a-home-loan.aspx?page=1>