

**** Move Toward Your Financial Goals with Confidence! ****

HOME SMART BENEFIT NEWS!

A little knowledge goes a long way!

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Call direct

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Help For Your Adjustable Rate Mortgage (ARM)

Homeowners with an adjustable rate mortgage (ARM) that is about to adjust or already has adjusted are finding help from a surprising source — our Government!! The Federal Housing Administration or FHA, plan to help over 200,000 families avoid foreclosure and thousands more refinance back into an affordable loan. The FHASecure Initiative, which was set into action last month is already reviewing loans for homeowners who were able to make their mortgage payments under the initial fixed rate portion of their loan but are now struggling to make ends meet because their mortgage payments have increased substantially.

According to the U.S. Department of Housing and Urban Development (HUD) Secretary, Alphonso Jackson, "FHASecure will bring stability to the housing market and give eligible families who were in good financial standing before their loans reset a chance to keep their homes." According to HUD, FHA has recently experienced a substantial increase in the number of conventional borrowers refinancing into FHA products. With FHASecure, it can help even more.

Eligibility Highlights of the FHASecure Initiative:

- The mortgage being refinanced must be an ARM that has begun to adjust.
- The homeowner has made his/her mortgage payment on time during the 6 months prior to when the loan began to adjust.
- If there is sufficient equity in the home, FHA will insure mortgages that include missed mortgage payments.
- Under certain qualifying conditions, FHA will insure a mortgage where the existing lender writes off the amount of indebtedness that cannot be refinanced into the FHA mortgage due to decreased property value.

Home Smart Benefit mortgage services is an FHA approved lender and welcomes the opportunity to help homeowners get back on the right track with their home loan.



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Creative Solutions to Today's Home Financing Challenges!

Whether you are planning to purchase or refinance, there's no loan uncertainty at Home Smart Benefit!

We'll get you qualified, find the right loan at the lowest rate, with the least costs!

Jumbo Loans Making A Comeback Just In Time For Fall

With the mortgage crunch hitting in August, there were several weeks where finding an affordable rate on a jumbo loan was nearly impossible. Now that investors of mortgage backed securities have had a chance to evaluate the market, many loan programs are coming back and bringing along, very attractive interest rates thanks in part, to the Feds lowering the Fed Funds rate in September.

Home Smart Tips to Qualifying for the Absolute Lowest Interest Rates on a Jumbo Loan:

- Make sure your mid credit score is over 720
- Keep your loan amount at 75% or less of the value of the home
- Be willing to go "full doc," by verifying income and asset accounts

Qualifying buyers in today's market, and finding the lowest interest rate takes experience, hard work and access to the most innovative and reliable lenders in the industry.

Put Home Smart to work for you on your next Home loan.

Home Smart Benefit—The more consumer's know about the home financing process, the more opportunity they have to safeguard their hard-earned money and achieve financial stability

Good Credit Habits

Make it a good habit to be smart with your credit. Your good habits show creditors that you were worth the risk when they loaned you money in the first place and that you'll be worth the risk next time you apply for credit.

Building good credit doesn't have to be difficult. Follow these tips to be on your way:

- Pay your bills on time. How you've paid your bills in the past can indicate how you'll pay in the future.
- Pay at least the minimum amount required. You can always pay more, but you should never pay less.
- Keep credit card balances low. Don't "max out" your credit cards.
- Establish credit if you have none. Apply for one or two credit cards. Use the cards carefully and pay them off each month.

Establishing a good credit history is about more than developing good habits, it's about knowing how to avoid credit problems. Late payments will hurt your credit history, and non-payments will hurt it even more.

Paying your debt obligations MUST be your number one priority. Your future financial stability depends on it.



Your Credit and Why It's Important

Have you ever loaned someone money? Did the person pay you back in a reasonable amount of time? If not, would you be willing to loan that person money again? These are the questions creditors ask every time you apply for a loan or a credit card.

Your credit history shows how you've managed your finances and repaid your debts over time. The history is pulled together into a credit report by three private companies: Equifax, Experian and Trans Union. These companies sell your credit report to banks and other creditors so they can review your past credit history.

It's important that you look at your credit reports from each of the three companies to make sure they are correct. Your credit report may vary from one company to another. Your credit report includes these items:

- A list of debts, such as credit cards and car loans as well as a history of how you paid the debts.
- Any bills that have been referred to a collection agency, including items such as phone and medical bills.
- Public record information, such as tax liens or bankruptcies, even if these occurred several years ago.
- Inquiries made about your credit-worthiness (an inquiry is made when you request credit or expand your credit).

From the moment you first apply for a loan or a credit card, you have a credit history. Your current debts, paid debts, and how you've paid your debts are all recorded in your credit report. That's why it's crucial for you to establish and maintain a good credit history.

The above information was reprinted from "Credit Smart" Education found on the Freddie Mac website. For more information or in espanol, go to www.freddiemac.com

Home Smart... (925) 989-5302 and online at www.homesmartbenefit.com

The Home Smart Benefit Program Provides advocacy to consumers through access to mortgage and real estate information and resources required to make wise and informed decisions all without the pressure to obtain a loan or purchase a home.

Home Smart provides home loan solutions! Residential, Commercial, Multi-family, SBA, FHA approved, Reverse Mortgages, 1031 exchanges, Cal-HFA certified. Purchase and refinance loans with 30-year fixed, 30-year fixed with interest only option for 10 or 15 years; 3 year, 5 year, 7 year, and 10 year adjustable ARMs; 100% financing; 20, 30, 40 and 50 year amortization; Purchase or Refinance, Conforming/ JUMBO Loans, Equity/Fixed second mortgages.

Home Smart Benefit offers homeowners access to a free consultation on your home loan. To learn more about this no-obligation service, call direct at (925) 989-5302.

Any loan scenarios discussed in this newsletter are presented as an estimate of a possible mortgage scenario. This is not a loan commitment, nor is it a guarantee of any kind. The scenarios are based solely on estimated figures and information available at the time of preparation. All rates are believed to be accurate but cannot be guaranteed. All programs and guidelines are subject to change without notice. Loans subject to borrower credit review, Qualification and approval. "Diablo Funding Group, Inc., DBA Home Smart Benefit, is a licensed Real Estate Broker by the CA Dept. of Real Estate #01183856.

