

Citibooks' Tips and Ideas on...

Mortgage

Volume 1

Published by:

www.BestManagementArticles.com

...Business management ideas for your success...

ENTER

Copyright 2006 Ismael D. Tabije, Publisher

This e-book may be given away free to all your customers and friends provided no change whatsoever are made herein.

Table of Contents

1. [Four Important Tips For People Who Are Considering A Refinance](#)
 2. [You Can't Buy a Dollar for 99 Cents](#)
 3. [Don't Let Closing Costs Take You By Surprise](#)
 4. [Mortgage Plain-Talk: What's The Difference Between "Amortization" and "Term"?](#)
 5. [Increase Your Income by Offering Private Mortgage Financing](#)
 6. [Online Credit and Mortgage Scams: Was Your Loan Sold to a New Bank?](#)
 7. [Mortgage Brokers and Short Term Money](#)
 8. [The Danger of Refinancing](#)
 9. [Phony Financing Fetches Fat Fines](#)
 10. [How to Create a Real Estate Cash Cow](#)
- Additional articles (online access only)
11. [How to Get Started or Re-started in Your Mortgage Business](#)
 12. [The Mortgage Elimination](#)
 13. [What Lenders Look For: Good Credit Improves Your Mortgage Negotiations](#)
 14. [Stealing the Home From Under You: the Growing Problem of Title Fraud](#)
 15. [What They Don't Want You to Know](#)

[Cover Page](#)

More tips and ideas available at:

[**www.BestManagementArticles.com**](http://www.BestManagementArticles.com)

...Business management ideas for your success...

Four Important Tips for People Who are Considering a Refinance

Jim Hart

Previous [Table of Contents](#) [Next](#)

Money Matters

Are you planning on refinancing? Homeowners...keep these simple (yet often unexplained) concepts in mind when considering a refinancing:

1. You typically want to see a 2% improvement from your current interest rate and the proposed “new rate”. When you add up the costs of refinancing as well as the time and hassle associated with the process, you may find a refinancing doesn't make a lot of economic sense with a spread lower then 2%.
2. Find your break-even point by taking the total costs of refinancing (divided by) the projected monthly savings under the new rate. Doing so will tell you how many months it will take to get your money back!
3. How long you plan to own the property is important. Rule of thumb: If you plan on owning the property for less then 5 years, a refinancing may or may not make sense. Only you and the numbers can tell!
4. A “Discount point” is 1% of the amount of money you are borrowing and is paid to a lender to secure a lower interest rate on a mortgage. Many people want to pay “points” to get a lower rate. But, are you really getting a lower rate? When you pay discount points you are basically prepaying the lender interest 15 or 30 years in advance! You are handing over “real dollars” for an intangible “interest rate” that will result in a lower monthly payment...the more important question is will you live in the property for 15 or 30 years? If not, why prepay the interest? Hint: Zero point home loans often make the most sense.

Copyright © 2006
James W. Hart, IV
All Rights reserved

Article Source :

<http://www.bestmanagementarticles.com>

<http://mortgage.bestmanagementarticles.com>

About the Author :

SBS is an online information resource for people that is focused on real estate and business solutions. Our site offers books, kits and ebooks in conjunction with high quality link portals to a variety of important sites. Visit us at <http://smart67.com>

This article may be reprinted in your website, e-zine or newsletter without the need to ask for permission provided no changes are made in the article and the source and author byline are included in the reprint with all the hyperlinks active.

[Previous](#)
[Table of Contents](#)

[Next](#)

More tips and ideas available at:

www.BestManagementArticles.com

...Business management ideas for your success...

[E-books on Mortgage](#)

[Books on Mortgage](#)

You Can't Buy a Dollar for 99 Cents

Andrew Kellerman

[Previous](#) [Table of Contents](#) [Next](#)

Many of us make the age old mistake of thinking we can "get something for nothing". We all want the very best mortgage refinance deal. At heart, we not only want to save, but more importantly we want to be smart, or at least be able to tell others how smart we really are.

Well, this is where my story starts. Shrewdly shopping for a mortgage loan, like no other has before. I talked to dozens of mortgage lenders and mortgage brokers. I quizzed them about rates and fees. I drilled each about APRs and asked about hidden fees. I had each of them "send me more info". Boy, was I doing good. I wasn't going to get taken. Not me.

Three weeks into mortgage "webbing" I ran into, what seemed like a slow typing Southern mortgage broker who seemed to be exactly what I was hunting for. She had all the answers and took the time to explain each time I asked for more info. All my communication to date had been e-mail, faxes and even an express mail. I decided we had enough of a repoire to give out my phone number.

When Rebecca did call I wasn't surprised at how she sounded, as I had pictured her perfectly and just knew she was going to be. A slow, methodical and professional mortgage broker. She at once calmed any fears I had remaining. After all, what was I to be frightened of. I had done my homework, talked to numerous lending sources, I knew the lingo. No one was going to pull a fasty on me.

This was it, time to pin her down. So I asked the big question. "What interest rate can I lock today?". The rate quote I got was an interest rate which was a full $\frac{1}{4}$ point less than any other mortgage broker or lender had given me. It paid to have done all this work. I had proven I was absolutely the smartest borrower that has ever lived. I took the deal before she changed her mind, thinking maybe she had made a mistake and I didn't want her to back out of the deal.

I mailed all of the requested documents and signed every document presented me. About three weeks into this deal of the century I was sent a benign looking Government disclosure saying something about my APR and fees. Since I didn't want to look stupid I signed and returned it. My homework didn't prepare

me for Government paperwork, and after all I could trust my mortgage broker. After all I had found her amongst all those others who were trying to rip me off with those much higher interest rates. My mortgage closed. I had ended up paying 4 points, \$5,500. Instead of telling my friends how brilliant I am, I'm confessing my stupidity anonymously, to each of you who have had similar "horror" stories.

What I realized is that you can't buy a dollar for \$.99. Brokers.

By Andrew Kellerman

Article Source :

<http://www.bestmanagementarticles.com>

<http://mortgage.bestmanagementarticles.com>

About the Author :

More articles at <http://www.1st-mortgages.com/shared/mortgage.articles.html>

| |
|---|
| This article may be reprinted in your website, e-zine or newsletter without the need to ask for permission provided no changes are made in the article and the source and author byline are included in the reprint with all the hyperlinks active. |
|---|

[Previous](#)

[Table of Contents](#)

[Next](#)

More tips and ideas available at:

www.BestManagementArticles.com

...Business management ideas for your success...

[E-books on Mortgage](#)

[Books on Mortgage](#)

Don't Let Closing Costs Take You By Surprise

The House Team

[Previous](#) [Table of Contents](#) [Next](#)

You've come up with a down payment, searched for a good lawyer, and have found a reputable mortgage broker. Well done! You're off to a great start in the house purchase process.

Keep in mind that you'll also be facing -- in addition to the expected legal fees and moving costs -- a few extra payouts when the final deal is done. Knowing about these "closing costs" in advance soothes their sting. The following list covers typical costs you'll encounter when your purchase is completed or "closed".

Reimbursements

You'll need to refund the money that the seller has already paid out on your behalf: expenses that are now fairly and rightfully owed by you, the new homeowner. In your lawyer's office, on closing day, you'll definitely run into those famous last words: "subject to the usual adjustments".

Typically these adjustments include portions of municipal property and school taxes for the months you'll be resident, utility bills paid in advance, fuel oil that you will be using - that kind of thing. These expenses would have to be paid by you anyway, so they are fair.

Land Transfer Or Similar Taxes

Your province levies this tax whenever real estate changes hands. It's sometimes also called (ironically) a "welcome tax". They do literally get you coming and going! The amount of this tax is a percentage of the purchase price of your property, so the more expensive the property, the bigger the tax.

Ask about Transfer Taxes in your province or the province you are moving to for full details.

Home Insurance

This insurance, especially fire, must take effect from the moment you are the owner of the home. It's all about protecting the investment for the lender -- and

in this case it works for you too. Mortgage Life and Disability insurance. This is an especially good idea for young parents or anyone else with dependents.

If anything should happen to either one of you, your home ownership won't be in jeopardy. The mortgage would be paid in full - immediately - on your behalf. You'll appreciate and need this peace of mind in a time of crisis, and you'll save your family the extra burden of wondering if they would need to sell their home (even while they're coping with a loss).

Your mortgage broker can often help you find a policy that works for your situation.

Home Inspection Fee

This is the fee you owe the inspector you hired to check out the physical structure and mechanicals of your home before you decided to buy it.

Home Appraisal Fee

Your lender requires this appraisal before they hand over any mortgage money. Naturally, they want to be assured that the property is worth an investment of their monies, and naturally, the cost of this appraisal is passed on to you, the customer.

This fee normally ranges between one and two hundred dollars - dependent upon location and complexity of the property.

The Survey

A legal survey of your land - its borders, perimeters, house placement, etc. -- is sometimes required by the lender, and will be performed by a professional surveyor. If you're lucky, a recent survey is already available; if not, a typical survey can cost you up to one thousand dollars. In the last few years, lenders have accepted title insurance (highly recommended anyway) in lieu of a survey document.

Title Insurance

This covers a myriad number of oddball situations that could threaten your title to the property. Title insurance is much less costly than a new survey, for example, and would cover most survey concerns anyway. Most homebuyers now look at title insurance as a great way to protect their biggest investment!

Don't Forget GST

This tax is charged on all professional fees. There is no GST on the purchase price of a resale home. Legal Fees and Disbursements. Speak to your lawyer about their fee schedule. Typically between \$1,000 & \$1500.

Closing Day!

Today is the day legal title to the property changes hands. You've been busy packing, cleaning, and organizing the moving procedure at either end. The last thing you need to do is traipse down to the lawyer's office... but that's exactly what you'll have to do. Your lawyer will sit down with you, carefully go through a pile of papers for signing, point out closing costs.

But a good mortgage broker can help you be well-prepared for all the things that happen before the new house keys are finally in your hand.

Article Source :

<http://www.bestmanagementarticles.com>

<http://mortgage.bestmanagementarticles.com>

About the Author :

The House Team is committed to providing quality information to help people like you make informed decisions about their mortgage financing needs. The source for your [Ontario Mortgage](#). Looking for a free mortgage calculator?

Click Here [Mortgage Calculator Ontario](#)

| |
|--|
| <p>This article may be reprinted in your website, e-zine or newsletter without the need to ask for permission provided no changes are made in the article and the source and author byline are included in the reprint with all the hyperlinks active.</p> |
|--|

[Previous](#)

[Table of Contents](#)

[Next](#)

More tips and ideas available at:

www.BestManagementArticles.com

...Business management ideas for your success...

E-books on Mortgage
Books on Mortgage

Thank You for previewing this eBook

You can read the full version of this eBook in different formats:

- HTML (Free /Available to everyone)
- PDF / TXT (Available to V.I.P. members. Free Standard members can access up to 5 PDF/TXT eBooks per month each month)
- Epub & Mobipocket (Exclusive to V.I.P. members)

To download this full book, simply select the format you desire below

