

SPOKANE SPOKESMAN-REVIEW MORTGAGE GUIDE					
Check rates daily at http://spokesmanreview.interest.com					
Program	Rate	Points	Fees	% Down	APR
BANK OF AMERICA					
			http://www.bankofamerica.com		
30 yr fixed	3.750	0.001	\$1171	20%	3.808
15 yr fixed	3.000	0.211	\$1171	20%	3.133
5/1 ARM	2.750	0.051	\$1171	20%	2.934
30 yr jumbo	3.750	0.239	\$1271	20%	3.833
(C) Seattle, WA 98119					
			800-304-6803		
			http://www.SammamishMortgage.com		
30 yr fixed	3.750	0.000	\$795	20%	3.789
15 yr fixed	3.000	0.000	\$795	20%	3.069
10 yr fixed	2.875	0.000	\$795	20%	2.976
20 yr fixed	3.500	0.000	\$795	20%	3.555
BBB A+ Rating-Local since 1992 - CL #118653					
(A) 3015 112th Avenue, NE, Suite 214, Bellevue, WA NMLS# 118653					
<small>Legend: The rate and annual percentage rate (APR) are effective as of 4/15/15. © 2015 Bankrate, Inc. http://www.interest.com. The APR may increase after consummation and may vary. Payments do not include amounts for taxes and insurance. The fees set forth for each advertisement above may be charged to open the plan. (A) Mortgage Banker, (B) Mortgage Broker, (C) Bank, (D) S & L, (E) Credit Union, (BA) indicates Licensed Mortgage Banker, NYS Banking Dept., (BR) indicates Registered Mortgage Broker, NYS Banking Dept., (loans arranged through third parties). *Call for Rates* means actual rates were not available at press time. All rates are quoted on a minimum FICO score of 740. Conventional loans are based on loan amounts of \$165,000. Jumbo loans are based on loan amounts of \$435,000. Points quoted include discount and/or origination. Lock Days: 30-60. Annual percentage rates (APRs) are based on fully indexed rates for adjustable rate mortgages (ARMs). The APR on your specific loan may differ from the sample used. Fees reflect charges relative to the APR. If your down payment is less than 20% of the home's value, you will be subject to private mortgage insurance, or PMI. FHA Mortgages include both UPMP and MP fees based on a loan amount of \$165,000 with 5% down payment. VA Mortgages include funding fees based on a loan amount of \$165,000 with 5% down payment. Bankrate, Inc. does not guarantee the accuracy of the information appearing above or the availability of rates and fees in this table. All rates, fees and other information are subject to change without notice. Bankrate, Inc. does not own any financial institutions. Some or all of the companies appearing in this table pay a fee to appear in this table. If you are seeking a mortgage in excess of \$417,000, recent legislation may enable lenders in certain locations to provide rates that are different from those shown in the table above. Sample Repayment Terms - ex. 360 monthly payments of \$5.29 per \$1,000 borrowed ex. 180 monthly payments of \$7.56 per \$1,000 borrowed. We recommend that you contact your lender directly to determine what rates may be available to you. TO APPEAR IN THIS TABLE, CALL 800-509-4636, TO REPORT ANY INACCURACIES, CALL 888-599-4636, *http://spokesmanreview.interest.com</small>					

Ask our broker



Peter G. Miller
CTW Features

WHO COVERS
SHORTFALL
ON REVERSE
MORTGAGE?

QUESTION:
I'm moving from my current home, which is financed with an FHA reverse mortgage. The balance is about \$219,000, but the value of the property is only \$190,000. Who is responsible for the sale of the present home and the security, maintenance and other fees during the process? Who is responsible for the shortfall or will that be forgiven?

ANSWER:
An FHA reverse loan, what the government calls a “home equity conversion mortgage” or HECM, is an unusual form of financing. Available to borrowers age 62 and older, the size of the loan has traditionally been based on the home’s equity and not the borrower’s income or credit. With a reverse mortgage the borrower gets cash from the home but is not required to make monthly payments for principal and interest. The result is the size of the loan grows each monthly because of unpaid interest charges.

The loan must be repaid if the borrower sells, moves or passes away. By moving you will set off an acceleration clause, which means the loan immediately must be repaid in full. At this point there are two choices. One is that the lender can be repaid by selling or refinancing, or the property can be turned back to the lender.

Under the HECM program you must notify the lender of your intent to move. You remain responsible for security, maintenance, taxes, insurance and such until title to the property is transferred. If the lender can sell the property for more than the debt and all related closing costs then the matter is closed. If the sale value is less than the debt the lender will file a claim against the FHA to collect any unpaid money.

As to forgiveness in the event of a shortfall, there is nothing to forgive. An FHA reverse mortgage is a “non-recourse” loan product. It’s secured by the value of the property, whatever the value of the property might be. There will be no claims against you. In the case of an estate, there are no claims against the heirs if the property is sold at a loss.

While reverse mortgage borrowers do not face a monthly cost for loan principal and interest payments they must pay for such things as property taxes, property insurance and homeowner’s association fees. Not paying these costs can set off a foreclosure action – and ultimately, big claims against the FHA. To assure that borrowers can make their non-mortgage payments, as of April 27, 2015, the government will require lenders to make a “financial assessment” of all prospective FHA reverse mortgage borrowers, including a review of recent tax returns. If a borrower has iffy financing, the lender can require a “Life Expectancy Set-Aside” to cover such costs, meaning that less money can be taken out of the house in the form of cash to the borrower.

For further information, contact your loan servicer or the FHA Servicing Center.

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Email peter@ctwfeatures.com. Due to volume, not all questions may be answered.

NEW VIKING HOMES NEIGHBORHOOD

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Spokane Association of REALTORS®

Open House Weekend

Jack Kastell
President, Spokane Association of Realtors®

Open house signs and REALTOR® balloons are as sure a sign of springtime in the Inland Northwest as daffodils and lilacs. I smile every time I see all of these things because it means my city is waking up again for another year – and it's time for the annual Spokane REALTORS® Open House Weekend April 25-26 (next weekend) – this year, our fifth annual.

This year, it's springtime in Spokane by many measures. Take keyboxes, for example. Back in the cold, short days of December 2012, Spokane keyboxes – those devices our members use to hold the keys to almost every listed property in our area – reported only about 8,000 opens. More recently, last month (March 2015), Spokane keyboxes reported more than 20,000 opens – a nearly three-fold increase. Wow!

Clearly, people are house shopping again in Spokane, but another statistic shows there isn't much for them to see. Inventory, or houses on the market, is down nearly 5% this year from last year at this time. REALTORS® like to see a six month supply of homes on the market, for reasons both of variety and quantity. We

currently have only about 2,000 homes on the market in Spokane – a four-month supply.

The homes that are being listed out there are selling. Unit sales are up nearly 30% this year over last year. Prices are going up, too. The median, or middle, price of a home is up nearly 4% this year over last year. Spokane homes are still at a mostly affordable \$169,900 median. Interest rates are still amazingly low, at less than 4%, but as the market warms, these are sure to rise.

Looking at these statistics, my REALTOR® colleagues are telling me, “we need more homes on the market and we need to encourage more people to see the homes that are out there.”

The first is in your hands. The second is in ours.

Welcome to the Spokane REALTORS® Open House Weekend, next weekend, April 25-26. This is our fifth annual event to draw attention to homeownership in our area with homes that are currently listed for sale. Spokane Association of REALTORS® members will, collectively, offer more than 300 houses for sale next weekend. At each, you can register for our grand prize, which will be a \$1,000 gift certificate. It's a great way to see what's out there, at what prices, and meet a local REALTOR® or two. Plan to join us.

Talk with a REALTOR® today!

This article represents the personal opinion of Jack Kestell, 2015 President of the Spokane Association of REALTORS®.

www.SHBA.com.

GET TO KNOW YOUR LOCAL REALTORS!

Having grown up in Spokane, Allen can put his deep knowledge of the Spokane real estate market to work to help you find a special property in your neighborhood of choice. Allen utilizes the most current tools available to promote your property to the broadest range of qualified buyers. Allen genuinely listens to you and will work tirelessly on your behalf. Even if you are not in the real estate market at the present time, don't hesitate to give Allen a call with your real estate questions.

Allen Dykes,
Broker
509-230-0876

TOMLINSON

Snap the QR Code with your Smartphone using a QR Code or Barcode reader.

GET TO KNOW YOUR LOCAL REALTORS!

Hello I'm Donlee Marlin your Inland Northwest Real Estate Specialist. I have lived in the Spokane area over the past 30 years and been in Real Estate over the last 14 years. I work with Windermere City Group a very fun professional supportive office and staff. I have served on several committees with the Spokane Association of REALTORS® such as Grievance, Special Events, Governmental Affairs and 3rd grade poster essay. The involvement in these committees and the charity work I have done with Windermere has given me much fulfillment and enrichment to grow my business. I work a lot by referrals and also enjoy the new construction process and with the military which my son serves. I was voted by my peers over 100 agents most inspirational agent a award I hold dear to my heart. I love the whole process of listing and selling homes and the relationships that come out of the process.

Donlee Marlin

donlee.withwre.com