

## Online Guides Help Buyers Choose a Mortgage

With subprime mortgages making headlines over the past few weeks; buyers can be ambivalent about their lending options. New online guides and free brochures help to clear up any confusion and help consumers find a loan that suits them.

"Given the current real estate climate, home-buyers are faced with considerable decisions that could affect their financial state for years to come," said Thomas R. Evans, President and CEO of Bankrate.com, which released a financial literacy guide that explains the lending process.

In addition, the NATIONAL ASSOCIATION OF REALTORS®, the Center for Responsible Lending, and the Federal Housing Administration offer online resources for consumers. Here are links to the latest guides:

- **[Bankrate.com: Understanding Mortgages](#)** Information on the different types of mortgages available, choosing the right mortgage according to lifestyle, the importance of credit scores, mistakes to avoid, a real-life mortgage makeover and self-help tools and calculators. The guide is the third installment in the company's year-long Financial Literacy Project.
- **[Specialty Mortgages: What Are the Risks and Advantages?](#)** Produced jointly by NAR and the Center for Responsible Lending, this brochure can help prospective buyers assess the risks and advantages of interest-only, negative amortization, payment option ARM, and 40-year mortgages. Available in English and Spanish.
- **[Traditional Mortgages: Understanding Your Options](#)** While specialty mortgages may help make homeownership more affordable, they generate more risk and consumers should understand these risks before they choose a mortgage. This brochure, also produced jointly by NAR and the Center for Responsible Lending, explains that for most consumers, traditional fixed-rate mortgages and adjustable-rate mortgages continue to be excellent options.
- **[How to Avoid Predatory Lending](#)** Home buyers need to be aware that some lenders offer predatory loans that take advantage of consumers. This brochure, produced jointly by NAR and the Center for Responsible Lending, identifies the warning signs of predatory loans. It also gives consumers tips on how to avoid them, including questions they should ask when shopping for a loan.
- **[Learn About FHA Mortgages](#)** The Federal Housing Administration has made significant improvements to its mortgage insurance programs. Many aspects of the FHA application process have been streamlined to make it more user-friendly and efficient. This brochure outlines the changes and how to qualify for an FHA mortgage, plus other resources available from FHA, HUD, and NAR.