

# REALTOR TOOLKIT

## FAQ- Loans/Subprime Mortgages

- 1. Hasn't the subprime mortgage mess made it hard for people to get loans?**

That's a common misconception. Lenders are being more diligent about making sure the terms of a mortgage fit a buyer's financial situation- and that's a good thing for everyone- but they are still eager to finance home purchases. And with interest rates approaching 40-year lows, it's a great time to buy a home.
- 2. How has the subprime mess impacted the local real estate market?**

There have been increased foreclosures and vacancy rates nationwide, as well as in St. Charles County. But the research indicates that the impact is mainly in the past and we'll see a return to normal conditions in 2008.
- 3. How should buyers choose a lender?**

It's important to warn against predatory "toxic" loans that can trap unsuspecting borrowers into years of financial hardship. Buyers should deal with reputable lenders and seek professional help from agencies like the Better Business Bureau to identify lenders of good standing.
- 4. What type of loan is best for consumers?**

Homebuyers should shop for the mortgage that best suits their needs and their financial circumstances. A REALTOR® is uniquely positioned to inform and guide buyers through the maze of financial alternatives.



**MAKING A MOVE**  
**2008** The right time  
for **REAL ESTATE.**