

Brigitte's Newsletter p.1

September 2010

Changes in USDA Loans coming soon!

What is a guaranteed USDA financing?

100% financing, no down payment required.

No mortgage insurance premium!

Closing costs can be included in the loan (home has to appraise for the sales price plus rolled-in closing costs).

Guarantee fee can be included in the loan amount and no other fees are involved.

No limit on seller contribution.

Fixed interest rates.

The property must be located in an eligible area!

After the 2010 census many areas that are eligible now will not be so in the next couple of months. Because of the growth in certain areas like Pflugerville, Cedar Park, these areas no longer qualify for "rural".

For some buyers this will make a very big difference in qualifying for a home because now they have to choose between going further out or going FHA financing. More about that in my next newsletter.

The importance of a Walk-Through!

There are only a couple of days left to the closing and it would be a good idea to have a "final walk-through". The purpose of this walk-through is to make sure the property is in the condition you expect it to be when your purchase agreement was signed.

Verify that all agreed-upon repairs have been made and no new damages have been done. The property with all items included in the sales price (window treatments, light fixtures, etc) are in place and in satisfactory condition.

You never should skip a walk-through. What happens if the seller removes ceiling fans or window treatments? Or left junk and debris in the yard? What happens if the seller damaged walls during move out?

It pays to do the walk through because you don't want to have bad surprises when you move in

You should be prepared at your walk-through: If the seller agreed to do repairs negotiated after the inspection was done, make sure you compare with your inspection report.

See that you receive all manuals and contact information of any businesses or contractors who have done work on the property, incl. warranties.

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Austin's economy*

Austin's area job market keeps on growing!

Austin's jobless rate is the best among state's largest cities.

The Austin area continues to add jobs last month, with a **2.5% growth** rate compared with last year. And as the area continues to climb out of the downturn, Austin's job growth rate is outpacing that of other major Texas cities.

The numbers look even better so far in 2010. From December 2009 to August 2010, Austin had a job **growth rate of 4.5%**, likely one of the fastest in the country, far above Texas' statewide rate of 2.2%. Texas and the greater Austin region continue to be among the best places to buy a home! We are different and the proof is in the countless reports by various sources:

- #1 Best City for the next decade - top cities for your future (Kiplinger.com)
- #2 Most innovative city (Forbes.com)
- #1 As the top US city for job growth (US Bureau of Labor statistics)
- #10 Best City to find a job (Forbes.com)
- #10 Best City for young professionals (Forbes.com)
- #1 Hottest City for US Housing Market** (Examiner.com)
- #4 Among States with the lowest debt (Forbes.com)
- #1 Top State for doing business (CNBC.com)
- #8 Best State for lowest cost of living (CNBC.com)
- #4 Best State for technology and innovation (CNBC.com)

*Austin Statesman Sept. 18, 2010

Getting ready to buy a home?

Educate yourself and ask questions! Your real estate agent is there to help you!

Let me do a free credit and mortgage analysis for you **before** you go house hunting. This will be a good start and saves a lot of time. Yours and your agent's.

There are four most important things to avoid:

Do not pay off your bills!

Do not change jobs!

Do not move money from one account to another. The loan officer can advise you the best way

Do not make major purchases.

Many borrowers make the mistake of buying major items (car, furniture etc.) after they are pre-qualified. That can impact their ability to purchase a home because now the monthly payment on these debts will be calculated into the amount of monthly payment and actually it might make it extremely difficult to get the loan approved.

If you must buy a new car because the old one broke down contact your loan officer or me beforehand. He can help you by re-qualifying you if necessary and advising you of your options.

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