

The truth about Mortgage Interest Rates

Four questions to ask your lender today.

Shopping around for a low mortgage interest rate? An experienced lender should be able to help you navigate the unfamiliar waters and find the lowest interest rate possible. But how do you know if you're working with the right loan officer? Here are four simple questions every loan officer should be able to answer. If your loan officer can't answer these questions correctly, it could mean big problems for you down the road.

What are mortgage interest rates based on?

Mortgage Backed Securities or Mortgage Bonds. (Inexperienced loan officers might point to the 10-Year Treasury Note as the correct answer. Unfortunately, they would be wrong. The 10-Year Treasury Note is not always a reliable indicator.)

What causes interest rates to fluctuate?

There are several factors that cause interest rates to shift periodically. An experienced loan officer should be able to provide you with up-to-date economic reports and events impacting rates on a weekly basis.

What does it mean when the federal government changes the rate? How does this affect mortgage interest rates?

When the federal government changes the Federal Funds Rate or the Discount Rate, the change directly impacts credit cards, home equity credit lines, vehicle loans, etc. Mortgage rates typically move in the opposite direction as the rate change, usually the same day as the change. For a more in-depth explanation on how this could affect you, give me a call.

Is it possible to track mortgage bond quotes in real time?

The answer is yes. And if your loan officer tells you otherwise, it's probably time to think about switching loan officers. Market conditions are constantly changing, making it crucial to partner with a lender who is always watching for anything that could impact your bottom line. A loan officer without up-to-date and accurate information is a loan officer you shouldn't be working with.

When making one of the biggest financial transactions of your life, it's imperative to work with an experienced, knowledgeable lender in the industry. Embrace Home Loans is ready to make your life easier. Call us when you're ready, too.

Gary May, Senior Loan Officer / NMLS# 181710
800 King Farm Blvd. Ste 210, Rockville, MD 20850

phone 301.354.8292 cell 240.620.3171
fax 301.354.2845 email gmay@embracehomeloans.com

Apply today at www.themaymortgageteam.com
www.embracehomeloans.com

Licensed as Embrace Home Loans, Inc. in: AL (#MC20954), AR, AZ (#0906375), CA, CO, CT, DC, DE, FL, GA (#12848), IA, ID, IL, IN (#10918 & #6034), KS (#SL.0000625), KY, LA, MA (#MC0195), MD, ME, MI, MN, MO, MS, NC, ND, NE, NH (#5985MB), NJ, NM, NY, OH, OK, OR (#ML3228), PA, RI, SC, TN, TX, UT, VA (#MC761), WA (#520-CL-26259), WI, WV (NMLS) #2184

