

## More top mistakes made when choosing a lender

Last time I pointed out some of the top mistakes made by consumers when choosing a mortgage lender. Here are some more of them: 1) You tried to out-think the market. When rates are good, people tend to want to wait for rates to “just get a little better, and then we will make the decision”. Most people wait too long and end up in a rising rate market. It’s a historic fact so listen to your lender and get your options; some programs will float with the market and give you the benefit of lower rates even if you already locked in your loan. Why not get the best of both worlds when it’s available? 2) You did not read any of your advance disclosures and you didn’t bother to read the loan documents. Far too many people want to refi a year after they close a loan only to discover they have an expensive prepayment penalty. There are too many people with home loans believing they had a fixed rate loan only to be shocked when the adjustable rate notice came telling them of their new (higher) rate. 3) You planned to sell your property when the higher interest rate kicked in despite warnings against this strategy. Some people are unable to sell property when the real estate market downturns. Don’t wait until the last minute of your low, fixed rate period to refi if you have an adjustable rate loan.

The bottom line is always the same: ask your friends, family and co-workers for their positive experiences a lender. Do your own research and read testimonials before choosing your lender. There are still honest and ethical loan brokers who will help you get the right loan for *you*.

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