

**ON MORTGAGES**

The lowest interest rates in more than 20 years have many homeowners scrambling to refinance higher-rate mortgages. But as important as the low rates have been for reducing monthly payments, they're even more valuable for people looking to buy their first house.

By taking advantage of the current rates, consumers are discovering they can not just afford to buy a house for the first time, but they can buy more house than they ever dreamed possible.

When consumers apply for a house loan, the mortgage company looks at, among other things, income and down payment. According to lending guidelines, the monthly mortgage payment cannot exceed a certain percentage of monthly income. For example, if a couple had a combined yearly income of \$34,255, this would work out to a monthly income of approximately \$2,857. The maximum monthly mortgage payment, including interest and taxes, could not be more than \$500.

	9%	8%	7%
Monthly Pmt	\$800	\$800	\$800
Mortg Amount	\$99,378	\$108,991	\$120,300
Price of House	\$124,223	\$136,239	\$150,375

When this interest rate was at 10% (which was not too long ago, by the way) the highest mortgage you could acquire would have been \$91,116. If you take into account a 20% down payment, this means the most expensive house you could afford would list at \$113,895. Not bad, but at today's rates, you can do a lot better.

Let's take a look at three similar scenarios, with the same monthly income, and see the difference that low interest rates can make.

It's quite a dramatic difference. For the same monthly payment that bought you a \$113,000 house at 10%, you can now afford a \$150,000 house. Now, first-time homebuyers can start in a house of their dreams, instead of spending years building up equity in a house in which they're really not comfortable.

Of course, homeowners who already have substantial equity in their current residences and are looking to move up can now apply that equity toward a much more expensive house than they could have just a few years ago. To see how much house you can truly afford, talk to your local Realtor. Your real estate expert can give you the information you need to make an informed homebuying decision. But don't wait. These low interest rates may not be around for very long. If you're thinking about making a move, there's no better time than the present.

David Mully is a senior loan officer for Source One Mortgage Services Corp., Michigan's largest residential mortgage bank. He has specialized in residential mortgages in the Detroit metropolitan area for the last eight years. If you have any comments or questions regarding this column or house mortgages in general, you can call David direct at (810) 488-7664 or fax him at (810) 488-7590.



Footing the bill: A variety of mortgage plans are now available to fit the financial circumstances of almost every buyer.

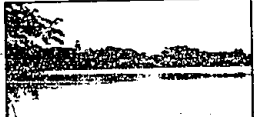
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**NEWER HOMES AND SPECTACULAR VIEWS**



**LOWER LONG LAKE**

Sensational 4 bedroom soft contemporary or private estate lot has open floor plan and 26 ft. vaulted ceiling, gourmet kitchen and walkout lower level. \$329,500.




**OAKLAND HILLS COUNTRY CLUB**

Dramatic view of 8th fairway from this sensational 3,500 sq. ft. 4 bedroom walkout ranch with premium interior finish and gourmet kitchen. \$499,900.

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HOUSES SOLD IN OAKLAND COUNTY			
These are the Observer & Eccentric-area residential real-estate closings for week 40, as taken from Oakland County Register of Deeds records and compiled by American-Info Publishers of Pace, a regional real-estate transaction report. Listed below are towns, addresses and sales prices. Asterisks denote multi-parcel transactions.			
<b>BLOOMFIELD TWP.</b>			
*3841 Adams	\$240,000	*5344 e Bridge Trail	\$52,000
*2900 Anglin Dr	\$280,000	*4212 Bloom Ct	\$49,000
*2616 Douglas St	\$170,500	*4355 Crystal Creek Dr	\$35,900
*607 E For Hills Dr	\$52,532	*2404 S. 500	\$254,500
*2640 Heathfield Road	\$150,000	*24701 Creekside Dr	\$153,500
*7284 Haddenbrook	\$160,000	*25225 Sunny Lane	\$240,000
*4852 Haddon Dr	\$293,000	*2640 Heathfield Road	\$150,000
*4154 Meadowlark Dr	\$187,000	*7284 Haddenbrook	\$160,000
*3191 Quenton Road	\$189,000	*4852 Haddon Dr	\$293,000
*4502 Ranch Lane	\$176,759	*4154 Meadowlark Dr	\$187,000
*16275 Locherette Ave	\$157,000	*3191 Quenton Road	\$189,000
<b>BEVERLY HILLS</b>			
*1200 Novos Ave	\$189,000	*4502 Ranch Lane	\$176,759
*16275 Locherette Ave	\$157,000	*16275 Locherette Ave	\$157,000
<b>BIRMINGHAM</b>			
*1350 Lakeside Dr	\$650,000	*1350 Lakeside Dr	\$650,000
*1035 Wakefield St	\$227,500	*1035 Wakefield St	\$227,500
*2412 Windermere Road	\$159,000	*2412 Windermere Road	\$159,000
<b>COMMERCIAL TWP.</b>			
*4410 Commerce Woods	\$38,079	*4410 Commerce Woods	\$38,079
<b>DEARBORN</b>			
*1141 Timberview Trail	\$230,000	*1141 Timberview Trail	\$230,000
*5131 Tootmoo Rd	\$475,000	*5131 Tootmoo Rd	\$475,000
*436 Vauxhall Dr	\$165,000	*436 Vauxhall Dr	\$165,000
<b>DEARBORN HEIGHTS</b>			
*3489 Castledale	\$291,472	*3489 Castledale	\$291,472
*22430 Southwick Ct	\$335,000	*22430 Southwick Ct	\$335,000
<b>DEARBORN TWP.</b>			
*3144 Beech Tree Ct	\$50,000	*3144 Beech Tree Ct	\$50,000
<b>FARMINGTON HILLS</b>			
*24701 Creekside Dr	\$153,500	*24701 Creekside Dr	\$153,500
*25225 Sunny Lane	\$240,000	*25225 Sunny Lane	\$240,000
<b>INDEPENDENCE TWP.</b>			
*Dose Hwy	\$35,000	*Dose Hwy	\$35,000
*9640 Ridgeway Trail	\$163,000	*9640 Ridgeway Trail	\$163,000
*5235 Sashabaw Road	\$78,900	*5235 Sashabaw Road	\$78,900
<b>LAKE ORION</b>			
*219 Bellevue Ave	\$172,000	*219 Bellevue Ave	\$172,000
<b>NOVI</b>			
*3489 Castledale	\$291,472	*3489 Castledale	\$291,472
*22430 Southwick Ct	\$335,000	*22430 Southwick Ct	\$335,000
<b>ORION TWP.</b>			
*3144 Beech Tree Ct	\$50,000	*3144 Beech Tree Ct	\$50,000
<b>ROCHESTER HILLS</b>			
*3048 Cone Ave	\$122,000	*3048 Cone Ave	\$122,000
*2498 Frankson Ave	\$116,000	*2498 Frankson Ave	\$116,000
*2850 Harvey St	\$132,000	*2850 Harvey St	\$132,000
*1116 Kings Cove Dr	\$90,000	*1116 Kings Cove Dr	\$90,000
<b>SOUTHFIELD</b>			
*19460 Jannette St	\$70,000	*19460 Jannette St	\$70,000
*30550 Red Maple Lane	\$149,900	*30550 Red Maple Lane	\$149,900
*25310 Shawwassee Circle	\$135,300	*25310 Shawwassee Circle	\$135,300
*25360 Shawwassee Circle	\$47,900	*25360 Shawwassee Circle	\$47,900
*23680 Village House Dr N	\$53,000	*23680 Village House Dr N	\$53,000
*29155 Village Road Dr	\$78,500	*29155 Village Road Dr	\$78,500
<b>SPRINGFIELD TWP.</b>			
*9657 Greenwood Trail	\$60,000	*9657 Greenwood Trail	\$60,000
*2837 Springcrest Ct	\$47,500	*2837 Springcrest Ct	\$47,500
<b>SYLVAN LAKE</b>			
*1970 Woodland Ave	\$155,000	*1970 Woodland Ave	\$155,000
<b>WEST BLOOMFIELD</b>			
*7528 Lockin St	\$149,900	*7528 Lockin St	\$149,900
*6317 Promenade Circle	\$132,000	*6317 Promenade Circle	\$132,000

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**■ CHELSEA PARK**

Chelsea Park hosts a grand opening celebration of two of its villages, the Hills and the Glens, noon to 6 p.m. Saturday and Sunday, Oct. 7-8, in West Bloomfield.

The Hills is located on Maple just east of Halstead Road, the Glens on 14 Mile just east of Halstead. Grand opening events are scheduled simultaneously in both villages, with a courtesy shuttle bus available to guests to visit each site.

Prices in the Glens start at \$290,000, in the Hills at \$360,000. Biltmore, M.J.C. West and Ivanhoe-Huntley are building in Chelsea Park.

**■ HAVERHILL**

The Selective Group hosts a grand opening of its newest single-family development, Haverhill, noon to 6 p.m. Saturday and Sunday, Oct. 7-8, in Novi.

Haverhill is on 14 Mile just west of Haggerty.

Prices start at \$239,900.

**■ BUILDING NATIONAL ORGANIZATION**

The Real Estate Roundtable presents a dinner program, "Building a National Residential Development Organization; Meeting the Challenge of the 21st Century," 5:30 p.m. Wednesday, Oct. 11, at Glen Oaks Country Club in Farmington Hills.

Presenter: Robert K. Burgess, chief executive officer, Pullis Homes.

Cost is \$30 with reservations by Oct. 6, \$35 afterwards. Register by mail to Real Estate Roundtable, c/o Steuer & Canvasser, 30600 N. Northwestern, Suite 200, Farmington Hills, 48334.

**■ REAL ESTATE INVESTING**

The Real Estate Investors Association of Oakland presents a dinner program on real estate investing Friday, Oct. 13, at the Kingsley Inn, Woodward south of Long Lake Road, Bloomfield Hills.

John Oviatt, an active investor for more than a decade, will discuss the basics of financing and the FHA 203K program.

Dinner is at 7 p.m., the program at 8 p.m. Cost of the dinner is \$16 for everyone, the seminar \$10 for non-members. For reservations, call (800) 747-0742.

**■ FIRST ALLIANCE MORTGAGE**

First Alliance Mortgage has relocated its headquarters from Bloomfield Hills to 32100 Telegraph, Suite 205, Bingham Farms.

The 5,000-square-foot office accommodates 28 employees.

First Alliance Mortgage specializes in writing residential mortgages for individuals previously turned down by traditional bank underwriters. Its growth has resulted in four moves since 1989.

## FREE Report Reveals Secrets To Getting The Highest Price For Your Home When You Sell It!

Farmington Hills MI—Bob and Mary had never felt more frustrated in their lives. Here it was, almost three months since they listed the house, and no buyer. If they didn't sell soon, Bob would lose the job offer he wanted so badly. The couple assumed that hiring a real estate agent would be the right thing to do to sell the house quickly. Listen to what happened.

The agent Bob and Mary hired told them their house was so beautiful, it would sell immediately. (No such luck.) Weeks went by, producing nothing, even though they spent \$3,500 to fix up the house!

Fortunately, Mary happened to be reading a magazine that offered a FREE Report called, "How To Sell Your Home For The Highest Price Possible" and she sent away for it. When she received the Report, she discovered eight simple steps to selling a home that she had not heard about before.

Thanks to Mary's action, she and Bob began to apply the simple tips outlined in this Report... and just 23 days later, their house sold!

To get your copy of this FREE Report, call 1-800-797-6055, 24 hrs., for a FREE Recorded Message.

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