Government is trying to automate home loans



I recently received a press release that should be of interest to potential FHA home buyers. Here's some of the information on an expression of the information of the program using an FHA-specific version of FHA in a six month pilot program using an FHA-specific version of the information of FHA in the underwriting the origin of the information of FHA in t

Fronte site. More than the set of how mee technologies can ranke the FIAA work better for more American families.

This joint initiative offers a glimpse of the mortgage market of the future _n future where FIAA loans can be processed by lenders in days instead of weeks, "said Leland C. Brendsel, chairman and CEO of Freddie Mac. By reducing costs and bringing greater efficiencies to the mortgage market, we will be discussed to the mortgage market, we will be delicited to make the work of the information they need to evaluate an application at their fingertips.

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Lann Prospector provides lenders will be constant the uses of Loan application, credit and property information to evaluate a potential barrawer's ability to meet a mortgage believed to meet a mortgage

evaluations on Landau minutes.

With this initiative, Freddie Mac takes a big step forward in underwriting FHA leans with Loan Prospector, said David Glenn, president of Freddie Mac. "We're well on our way to providing lenders with a single, automated underwriting service to process virtually all of their mortages."

underwriting service to process virtually at wheir mortgages.
Lenders will be able to access Loan Prospector for FHA Loans by linking directly through their loan origination system, In addition to risk assessment, the system will evaluate the application against FHA statutory requirements such as down payment, geographic loan limits, maximum amount, as well as eligible product types and any additional FHA credit guidelines.

■ What this all means to you, the prospective homeowner, is that mortgage lenders will be able to respond much more quickly to mortgage requests and have much of the information they need to evaluate an application at their fingertips.

The system will report its assessment to the lender, who will make the ultimate credit decision. During the pilot, FHA will agree with individual lenders to modify some of the documentation or credit requirements for loans that receive a favorable risk assessment.

Freddie Mac and FHA said that they expect that eight, geographically diverse, FHA-approved lenders, including current Loan Prospector users and new users, a housing finance agency and a non-profit, will participate in the sixth-month

pilot, with 4,000 to 6,000 loans being made under the demonstration.

"FIHA presents an unique opportunity to demonstrate to the market a responsible approach to integrating automated underwriting into the mortage business, Federal Housing Commissioner Nicolas P. Pottinas said. "We must move forward with new technologies, but only after we carefully evaluate the impact of their use and design strategies to casure that their use serves our mission of expanding home ownership opportunities."

The FHA was created in 1934 to provide mortage insurance on home mortage loans. For more than 62 years, FHA has pioneered low down payment and long term mortages allowing more than 24 million American families to achieve home ownership. Today, FHA insurance allows lenders to make loans using more flexible underwriting than they use for conventional loans, including lower down payments, closing cost financing, and higher debt-to-income ratios.

Last year, to percent of the money mortgages were made to first-time home buyers.

Freddie Mac is a stockholder-owned corporation.

Freddie Mae is a stockholder-owned corporation catabilished by Congress in 1970 to create u continuous flow of funds to mortgage lenders in support of home ownership and rental housing. Freddie Mac purchases mortgages from lenders and packages them into securities that are sold to investors. Over the years, Freddie Mac has helped finance one is six American homes.

Write David Mully at P.O. Box 485, Novi, MI 483760485, Mully is a southeast Michigan area mortgage expert
concentrating on financing for FHA approved condomistums. For an up-to-date list of approved FHA condos in
your area or help financing, call Mully at (810)488-9712
or (800)405-3051. Yeu can access Mully's previous mortgoge shopping articles at on-line at
http://conline.com/-emoryd/mully







FOR THOSE WHO CAN'T LIVE WITHOUT WATER West Bay on Pine Lake is on the immediate horizon. Be among the first to glimpse this spectacular waterfront setting. Call for a private appointment to preview the extraordinary designs from the \$500,000's. Orchard Lake Road Immediately north of Long Lake Road in West Bloomfield Another exclusive neighborhood by John Richards

French doors add vitality

to update

Remodeling your house is not only disruptive, it's often expensive, as well.
hanging an outdated aluminum patio door to a French door not only gives the illusion of more space while updating your house, it also increases your house, it also increases your house's energy effi-

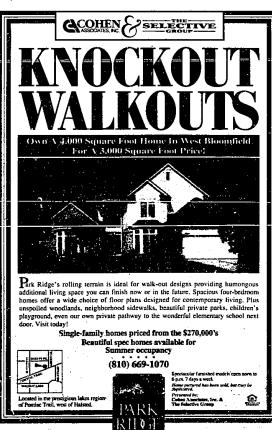
house's energy efficiency.

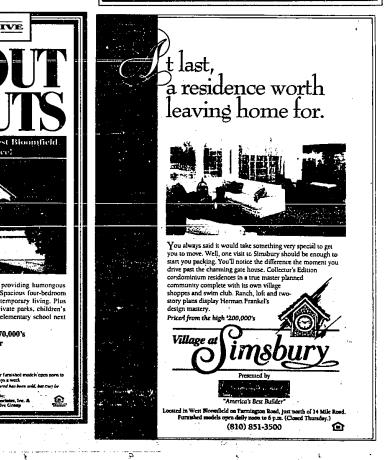
It's a "doable" project that can be done in a weekend on a moderate budget.

"French doors add richness to your home," says Peter Dempsey, vice president of marketing for Jeld-Wen, one of America's largest national window and door manufacturers. The glass and wood grill combination decorate with classic appeal and immediately update a tired room."

Today, available

ately update a tired room."
Today, available options include double swinging French doors, single swing and French sliders. For more formal decor, try brass caming and beveled glass.
To receive a free brocheve and a listing of dealers in your area for Bend, Elomoth and Nord doors call 1-800-877-9482. All doors are available through Jeld-Wen's national network of independent distributors.





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