



## 5 Tips By Subject Offered Along With the New FHA Mortgage Rules

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NOTE: Information in quotes is taken word for word from the FDIC webpage titled "[Coming Soon: New Mortgage Rules Borrowers Should Know About](#)". The intent of the document is preventing problems meeting mortgage payments and hardships that may lead to home foreclosures.

### Practical Tip #1 - Loan Originator Compensation

"The new rule will help ensure that consumers are not steered into costly or inappropriate mortgage loans, but consumers also have a responsibility to learn about the different kinds of mortgages and shop around," said Sherry Betancourt, a Senior Attorney in the FDIC's Legal Division. "Comparing the mortgages offered by various lenders and asking questions can help you get the best deal for your needs."

### Practical Tip #2 - Escrow Requirements

"Even if you're not required to use an escrow account, it is almost always a good idea to have one," Gimble said. "For many consumers there are benefits to knowing that their property taxes, and perhaps also their homeowners' insurance, will be paid for over the course of a year instead of in big annual or semi-annual payments."

### Practical Tip #3 - Ability to Repay

"Ask a lender how it will assess your ability to repay, so that you will have an idea of how the lender may evaluate your application, and think carefully about how much debt you can comfortably take on," said Cassandra Duhaney, a Senior Policy Analyst at the FDIC. "Knowing how your ability to repay will be measured may also help you understand what steps you could take to strengthen your application, such as by saving up more money or improving your credit score."

### Practical Tip #4 - Rules for Mortgage Servicers

"Watch for communications from your mortgage servicer in order to remain informed about important dates or response deadlines associated with your loan. Also, for borrowers having trouble paying their mortgage, the CFPB provides information at [www.consumerfinance.gov/mortgagehelp](http://www.consumerfinance.gov/mortgagehelp)."

### Practical Tip #5 - High-Cost Mortgages and Homeownership Counseling

"When you are applying for a mortgage loan and your lender provides a list of homeownership counseling organizations, consider this an opportunity to learn about the home-buying process from an informed, objective source. This new disclosure is one of the important consumer protections in the Dodd-Frank Act," Duhaney said. "In fact, home ownership counseling is something that many consumers may want to consider before they apply for a mortgage loan or shop for a home."