

Media Advisory



[C.A.R. Mortgage Update](#)

This week's *C.A.R. Mortgage Update* contains information about mortgage modifications; the Federal Reserve's plan to purchase government-backed IOUs; jumbo loans; mortgage support Web sites; condo rules; mortgage rates; how banks are preparing for President Obama's housing plans; and increases in mortgage fees.

A consumer's guide to mortgage modifications

With approximately 81,000 properties in California receiving a foreclosure filing in February, and one in five homeowners underwater nationwide, many consumers are seeking mortgage modifications, but may not understand how they work.

A loan modification is generally a temporary adjustment to a home loan that lowers the monthly payments by reducing the interest rate the borrower pays. In most cases, borrowers are eligible for loan modifications if they can prove their troubled mortgages can be brought back to good standing with the modification.

Consumers interested in learning more about loan modifications should contact a mortgage counselor at an agency certified by the U.S. Dept. of Housing and Urban Development (HUD). A list of agencies can be found online at www.hud.gov.

To read the full story, please click here:

http://www.latimes.com/business/la-fi-cover22-2009mar22_0.7096135.story

What the Fed's bond buy means for you

The Federal Reserve recently announced it will spend \$1.2 trillion to purchase government-backed IOUs, including approximately \$300 million on Treasury bonds.

For homeowners hoping to refinance and home buyers seeking new loans, this plan could be great news. The Fed's announcement pushed down long-term interest rates, which in turn drove down mortgage rates. Interest rates on 30-year, fixed-rate loans dropped as low as 4.5 percent following the news.

To read the full story, please click here:

<http://online.wsj.com/article/SB123749350368087807.html>

To view additional articles about mortgages, please visit the following:

Major banks are heading into the jumbo arena

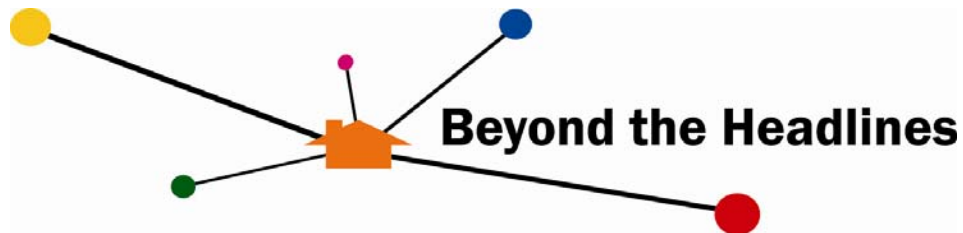
To read the full story, please click here:

<http://www.sfgate.com/cgi-bin/article.cgi?f=/c/a/2009/03/22/REOV16G96R.DTL>

Mortgage support Web sites give stressed homeowners an online should to cry on

To read the full story, please click here:

http://www.mercurynews.com/realestatenews/ci_11961407



New condo loan rules could hurt distressed areas

To read the full story, please click here:

http://www.mercurynews.com/realestatenews/ci_11963325

Mortgage rates are low. So are approval rates

To read the full story, please click here:

http://money.cnn.com/2009/03/19/real_estate/rates_low_approvals_too/index.htm?postversion=2009032009

Obama housing fix: Banks not ready

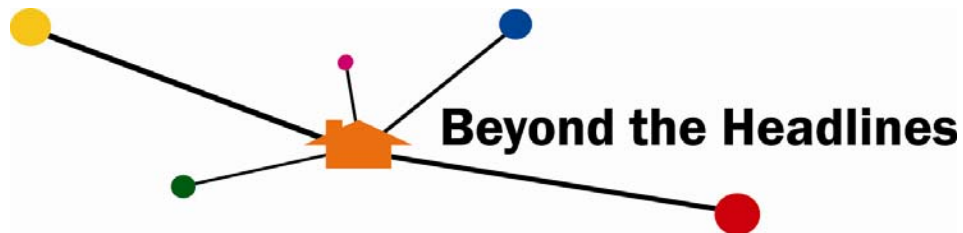
To read the full story, please click here:

http://money.cnn.com/2009/03/19/news/economy/Obama_foreclosure_plan/index.htm?postversion=2009031915

Mortgage fees highest since 2000 will buoy U.S. banks

To read the full story, please click here:

<http://www.bloomberg.com/apps/news?pid=20601087&sid=aPRkVpXhc8dA&refer=home>



Spring sale: Home sellers may flood the market soon

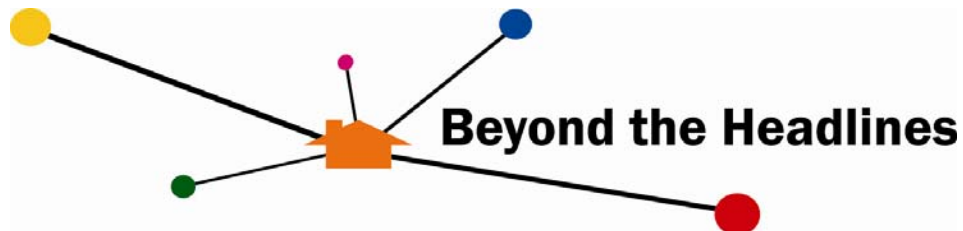
As the traditional home-buying season begins, some industry experts are reporting an increase in homeowners listing their houses and venturing into the market to see what's available.

KEEP THIS IN MIND

- As more sellers list their homes, inventory will increase. While this is a plus for home buyers, the surge could push home prices lower. It also could help jump-start the market by attracting more home buyers.
- Housing starts and building permits were higher in February than analysts estimated, and the Federal Reserve announced this week its plans to purchase mortgage debt, which helped to lower interest rates. Although it's too soon to say the market has bottomed out, these are good indicators that consumer confidence could be rebounding.
- The current market is providing a prime opportunity both for sellers and home buyers. Some homeowners, who still have equity in their homes, are selling their houses for a profit and either moving up or downsizing to another house at a favorable price. Home buyers have the advantage of purchasing a home at a more affordable price than in previous years.
- One challenge still facing home buyers, especially first-timers, is the ability to qualify for a mortgage loan. The government has announced plans to purchase bonds, treasuries, and the like in order to get bad debt off of the books of banks, and help restore the flow of credit to consumers.

To read the full story, please click here:

<http://www.cnbc.com/id/29779920>



In Other News...



[The Mercury News](#)

What the Treasury plan means for you

To read the full story, please click here:

http://www.mercurynews.com/businessheadlines/ci_11984357



[The Wall Street Journal](#)

Home buyers stir hope in California

To read the full story, please click here:

<http://online.wsj.com/article/SB123759847274601481.html>



[The Washington Post](#)

Affordable housing initiative hits the Web

To read the full story, please click here:

<http://www.washingtonpost.com/wp-dyn/content/article/2009/03/21/AR2009032100065.html>



[The Mercury News](#)

February home sales rise as prices sink

To read the full story, please click here:

http://www.mercurynews.com/ci_11976617?IADID=Search-www.mercurynews.com-www.mercurynews.com

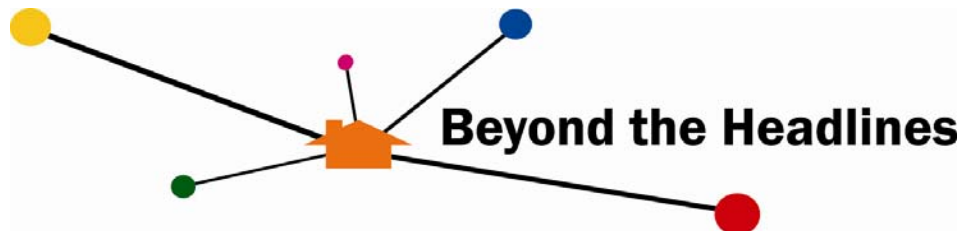


[Reuters](#)

American fear home price drop accelerating

To read the full story, please click here:

<http://www.reuters.com/article/domesticNews/idUSTRE52J3GA20090320>



[The Mercury News](#)

Obama: California to receive \$145m for foreclosures

To read the full story, please click here:

http://www.mercurynews.com/ci_11952361?IADID=Search-www.mercurynews.com-www.mercurynews.com



[San Francisco Chronicle](#)

Bay Area home median falls below \$300,000

To read the full story, please click here:

<http://www.sfgate.com/cgi-bin/article.cgi?f=/c/a/2009/03/20/BUNI16JI0A.DTL&type=business>



[Sacramento Bee](#)

Sacramento homebuyers rush to refinance at lower rates

To read the full story, please click here:

<http://www.sacbee.com/business/story/1711682.html>