



## CONSUMER ALERT

### **AP Poll Shows Consumers Need Regular Mortgage “check-ups” to Prevent Financial Decay**

*36% of People with Adjustable Rate Mortgages Worried about Making their Payments*

With 36% of people with adjustable rate mortgages worried about making their payments, according to a new AP poll, the California Association of Mortgage Brokers (CAMB) provides key “check-up” signs for every homeowner, regardless of the type of loan they have.

Everyday in California, people take the time to see doctors, dentists, optometrists and other health care professionals. The long-term benefits of preventive maintenance and advice received from a health care provider can be life saving and regular check-ups are important.

Californians should also pay the same attention to their financial well-being. In today’s fluctuating real estate market, it is important for homeowners to “check-up” on whether they are headed toward financial health. Much like with their healthcare provider, a regular check-up with a mortgage broker is a great way for a homeowner to stay in control of their finances and optimize opportunities to stay on top of their mortgage.

With the high cost of homes in California, consumers in the last few years have benefited from many home loan options, such as adjustable rate mortgages (ARM) and interest-only to achieve their dream of home ownership.

With interest rates poised to rise in the next year or two and with evidence that 36% of homeowners with ARM loans are concerned about their future payments, homeowners should meet with their mortgage broker, review their current mortgage status and come up with a game plan before problems arise. This is not only advisable but can save them from financial distress.

**The California Association of Mortgage Brokers is releasing the following key signs that indicate a homeowner should consider a “check-up”:**

- **You have an adjustable rate mortgage or interest-only loan:** Make an appointment with your mortgage broker to review your current mortgage and calculate what the changes will look like when your ARM adjusts to its new interest rate.
- **Worried you can’t keep making your payments:** If you find yourself struggling to make your payments, your mortgage broker can advise you and help to amend the situation before it is too late. Remember, it is much easier to fix a problem before it becomes one.
- **Recent lifestyle change:** A refinance of your loan may be a good option if you received a raise, got married, grew your family, made a large purchase, or are close to retirement. These are all good reasons to meet with your mortgage broker for a review.
- **Hired a financial planner:** For consumers who use the services of both a financial planner and a mortgage broker, it is a good idea to make sure the counsel you receive from both is compatible.

Regular check-ups with a mortgage broker may potentially save homeowners money but most importantly, will help ensure their financial health. CAMB offers free referrals to help consumers identify, interview and select the right mortgage professional.