

Guardian Mortgage Shares Five Fast Ways to Compare Mortgage Quotes

/EINPresswire.com/ Guardian Mortgage [loan officer](#) shares five fast ways to compare mortgage quotes

Confused by multitude of quotes floating around from mortgage lenders? The problem is so confounding, new financial regulations are being proposed that would standardize every mortgage quote for easy comparison. Those, however, won't go into effect until well into 2013 if not later.

In the meantime, loan officer Gracie Morrow of Guardian Mortgage Company suggests an easy approach to quickly make accurate comparisons among different lending quotes – compare the closing costs.



"The biggest mistake we typically see home buyers or [refinancing](#) home owners make is to focus solely on the rate," said Morrow. "Buyers need to look closely at the closing costs as well for a complete cost for the mortgage. Rates and costs can vary a lot among lenders."

There are five categories of closing costs that should be compared. Some costs the [lender](#) controls, others it does not. The origination charge, discount points and some of the third-party fees are controlled by the lender and warrant particular scrutiny when comparing quotes:

1. Origination Charge: Many lenders make the origination charge a percentage of the transaction. In addition, they might break up the origination charge into the application fee, the underwriting fee, and the processing fee. "Buyers could pay a lot more if the origination fee is broken into pieces or a percentage of the transaction," notes Morrow. The best bet is to find a lender that only charges a flat fee regardless of the loan amount."

2. Discount Points: "When we see discount points on a quote, loan officers typically ask more questions," says Morrow. "Buyers need to know if they're paying these points to get the lower interest rate and the value they receive in the lower rate by paying the additional costs up front. If a lender charges a \$3,000 discount point fee, saving only saving \$10 per month on your mortgage, it's not worth it."

3.Third Party Vender Costs: The fees for the appraisal, credit report, employment verification and flood certificate depend somewhat on the outside provider, but also on the lender who contracts with them. "New regulations dictate that these fees can't change 'more than a certain tolerance' to the final closing which means no more significant last-minute surprises for home buyers." adds Morrow. "Look for a lender who is big enough to command lower third-party fees...and who will pass those savings along."

4.Title Costs: Unfortunately for refinancing homeowners, in many states like Texas, they will still have to pay a new title policy premium just like new homeowners to renew and extend the existing policy. "It's a one-time premium that covers against legal problems that could cost tens of thousands of dollars and even the loss of a home," says Morrow.

5.Government Recording Fee and Transfer Charge: These charges are from the county and the lender has no control over these fees. Morrow notes, "If these charges vary among your lenders, ask why. They should be relatively the same."

What if all of these charges are not on the estimate? "Be sure to ask the lender why not because they should be part of the quote. Also, under the circumstances of refinancing your loan, be sure to ask the lender for the monthly savings and how long it will take to recoup the closing costs," adds Morrow.

"Guardian Mortgage has always provided all the fees upfront to our borrowers. Everything seen on the loan summary will be on the final closing documents. We believe in a 'no surprises' approach."

Have more closing costs questions? Contact an experienced loan officer at Guardian Mortgage Company today!

About Guardian Mortgage:

Headquartered in Richardson, Texas, Guardian Mortgage Company, Inc. has been serving generations of homebuyers for over 48 years. Guardian Mortgage Company is an independently owned and managed company specializing in mortgage origination and servicing.

Guardian Mortgage Company has \$2.5 billion in its servicing portfolio; translating to over 18,000 current satisfied customers. Guardian Mortgage Company is large enough to provide the innovative leadership service customers need, yet small enough to provide individual and professional attention.

At Guardian Mortgage Company, our ideal client is a borrower who wants a true relationship with their mortgage company.

Guardian Mortgage Company has three Texas locations in Plano, Richardson and Arlington, and one location in Grand Blanc, Michigan.

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