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? What's Your ?
? Opinion? ?
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Shopping For Mortgages

(NAPSA)—Should consumers have free access to information and choice of services when they shop for mortgage loans and settlement services? A reform proposal that recommended packaging of settlement services and offered by HUD and the Federal Reserve Board in the last administration may limit this.



A mortgage reform bill before the 107th Congress may look better to consumers than it really is.

On the surface, the reform, known as the RESPA/TILA proposal, which would amend the mortgage laws, looks appealing because it creates hope that things will be cheaper and easier for consumers. In reality, packaging could prevent consumer choice. A recent Gallup poll shows that almost half of consumers personally shop for settlement services such as owner's title insurance. However, packaging of loan settlement services can limit consumer choice if a consumer believes he or she might not obtain a mortgage unless the provider's settlement services are purchased.

Some say it could also discourage competition and lower the quality of service. For more information on how you can help, and a sample letter to send your congressman, contact the American Land Title Association government department at 1-800-787-2582, or e-mail governmentaffairs@alta.org.