



Why LowVARates.com Told VA Loan Holders to Lock Loans in 2 Months Ago and Reiterate That Request Again

In December of 2007 LowVARates.com issued a press release titled, "Veteran home owners must pull the rate lock trigger immediately." In this press release home owners were advised to quit waiting around for interest rates to go lower and to lock in their rates immediately. Currently the VA interest rate market, along with conventional and all other interest rates for that matter has risen to new highs. In summary, interest rates are climbing and there is not a real clear end in sight.

Washington, DC, February 21, 2008 --(PR.com)-- Some of the smartest economists in the country find themselves absolutely baffled as to what has occurred in the past few days with long-term fixed mortgage rates. In spite of the White House's plan to save our economy and fix our housing crisis, interest rates have gone right through the roof.

This Press Release will focus on VA Loans and the effect of rising interest rates on those veterans who are in the middle of a refinance with an unlocked loan or for those that were just about to start the process and now may be uncertain what to do.

Eric Austin of LowVARates.com recently released the following statement about interest rates on VA loans: "Absolutely no one could have seen this rise coming. The Fed has aggressively cut rates like never before in history and some of the Nation's smartest lenders and brokers have now got themselves and their clients in a peculiar and difficult situation because many loans were not locked." He went on to say... "it is not fair to point fingers at the loan officers or to even blame the home owners or buyers, the truth of the matter is that this was not expected and even more so under conventional thinking we all assumed rates were heading lower or would at least stay low."

So where does this leave veterans and others wanting to finish their refinances in this current slow economy where many of us are searching for extra cash and some breathing room? LowVARates.com and many other leading mortgage resource companies around the country are moving toward a very strong stance towards the VA Hybrid 3-1 ARM. The VA Hybrid ARM is not like these scary "sub prime" or bad credit ARMs that have been all over the news and have wreaked havoc on many home owners. The VA Hybrid ARM is a government ARM that has all sorts of protection against rising rates and other flaws like prepay penalties should rates drop etc. "I am advising all of my loan officers to try and convert their loan applications into ARMS for the short term, that way when rates do fall again, like they always do, we will gladly convert all of our VA ARMS back into lower fixed rate VA loans at no additional cost to our clients." states Sara Little, head of operations for one of the county's leading VA brokers.

In conclusion LowVARates.com outlines some of the benefits of securing a VA 3-1 ARM at this time:

1. Rate cannot rise for 36 months regardless of what interest rates do.
2. In extreme cases after 36 months should rates sky rocket, VA Hybrid Arms cannot go up more than 1% every 12 months.
3. When rates fall again there is no easier loan to convert back to a fixed than a VA Loan.



LowVARate.com strives to be a leader in information for veteran home owners and is continually educating veterans and their loved ones through its internet site LowVARates.com

###



Contact Information:

Low VA Rates
Eric Austin
801-602-4745
sales@lowvarates.com
lowvarates.com

Online Version of Press Release:

You can read the online version of this press release at: <http://www.pr.com/press-release/73174>