



## *Facts About Mortgage Lending in Iowa*

- 81% of Iowa's mortgage loans are prime.
- Only 7% of Iowa's total mortgage loans are sub-prime and 3% of the total sub-prime are adjustable rate loans (sub-prime ARM loans are where the bulk of foreclosure problems are being experience around the country.)
- About 2.3% of all Iowa mortgage loans (both prime and sub-prime) are in foreclosure. However, this statistic overlooks Iowa's debtor friendly foreclosure laws that allow delinquent loans to remain in foreclosure status longer than in other states. As a result, the same loans are counted multiple times quarter after quarter.
- A better indicator is foreclosure starts. In Iowa, total foreclosure starts (including all loan types) was 0.70% of residences. This ranked Iowa 43rd in the nation, up from 38th in the 4th quarter of 2008.
- The home ownership rate in Iowa is 72.3%, above the national average of 68.2% which is another good indicator that most lenders are putting borrowers in loans appropriate for their net worth, income and borrowing capacity.
- The Iowa Attorney General's Office offers a Foreclosure Hotline that is a toll-free number to the Iowa Mediation Service that will explore if borrowers and their lenders might be able to agree on some approach to avoid foreclosure.
- Iowa and other Midwestern states still are affordable states to purchase a home. The median home price in Iowa is \$96,000 with the average household income at \$41,000. Contrast this to California where the median home price is \$351,000 and the average household income is \$49,000.
- If you are interested in shopping for a loan, this is a positive time for consumers as there is continued competition among mortgage providers and extremely low fixed-rate interest rates. Look for institutions that have roots in your community are well-regulated by recognized entities like the FDIC, OCC or NCUA and will be there for you before and after the loan is made.
- The Iowa Mortgage Association is a statewide organization dedicated to representing the housing and mortgage industry in Iowa. IMA members have dedicated their entire careers to helping people purchase and refinance homes. For a list of member organizations, see the IMA website at [www.iowama.org](http://www.iowama.org).

IOWA MORTGAGE ASSOCIATION

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