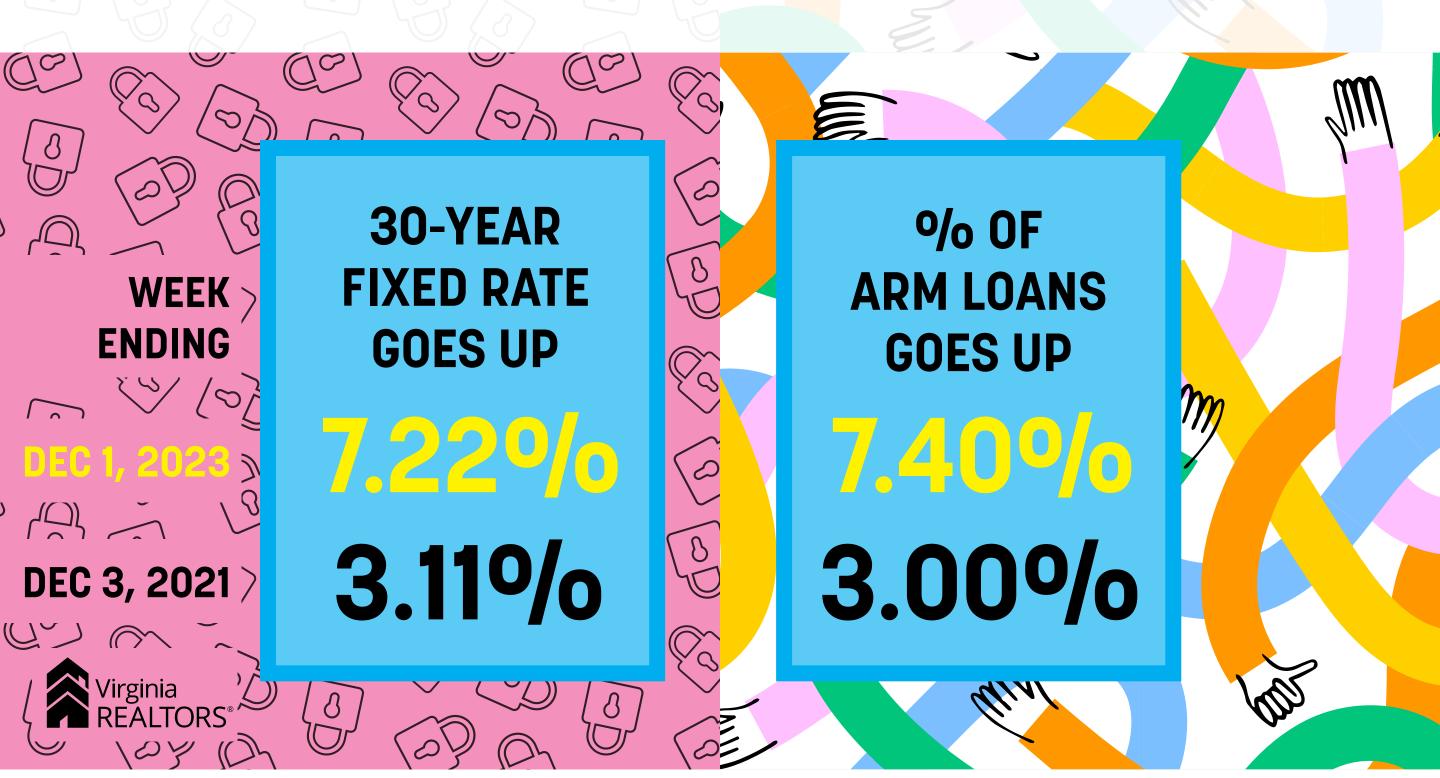


WHEN FIXED-RATE MORTGAGE RATES GO UP, ADJUSTABLE-RATE MORTGAGES GET POPULAR.

As FRM rates have gone up over the past couple years, ARMs are becoming more appealing to home buyers. However, it is worth noting that there is no guarantee that rates will drop in the future and, consequently, could lead to higher monthly payments along the loan term.



SOURCE: FREDDIE MAC, MORTGAGE BANKERS ASSOCIATION