

# Change and Opportunity; Mortgage Notes



By Dean Graber  
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Good day Long Island. I'm here, hopefully to calm some nerves and reflect on the currently beaten down mortgage industry.

I started in the mortgage business in 1986; I have seen the market shift drastically on many occasions. Borrowers happily lined up outside the banks to get a low 13.50% rate, and refinance out of their 18% loans. Lenders were just rolling out the First No-Income Check loans which required a 25% down-payment and lenders were charging 8 Points on FHA Loans. Home prices soared, then leveled off, then dropped only to take off again at a record pace. Mortgage companies and banks were willing to lend without qualifying, and throwing money at the consumer like there was no end in sight. The market was in such a rush to buy, and it appeared home prices would never level off.

Now, the market has put the brakes on. Many loan programs were pulled or

abandoned and many mortgage companies, including American Home Mortgage, 1400 Long Island employees, have shut their doors. The one thing that remains constant is

CHANGE!

With this change, I see OPPORTUNITY. The Mortgage Industry is once again opening up. 100% Financing never went away. The FHA has become much more aggressive to pick up the slack. Many of the stated income programs that left are returning. With the proper vision and knowledge, we can start the up cycle again.

I spend a majority of my days checking out revised lending guidelines and finding new loan programs in an effort to give borrower's the best loan options available.

While I can understand the concern, my twenty years of experience tells me, don't let the current turmoil in the real estate market slow you down. If there's a great house or great deal out there, go for it. Compared to interest rates of the past two decades, rates are still at historic lows.

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