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Mortgage
SPECIALISTS, LLC

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The Mortgage Update®

Rates Drop Again!

Mortgage rates recently fell to their lowest points of the year. Demand for U.S. Treasury bonds has caused their yields to fall, and that's brought rates down on 30-year mortgages, as well. Yet many experts believe rates will edge higher as the Federal Reserve suspends its program of buying Treasuries this summer.

So now is a great time to let consumers know that real estate market conditions are favorable for them. Being able to lock in some of the lowest rates we've seen in years will help your buyers live comfortably in the future.

Prospective homebuyers have another big reason to sign a purchase contract soon. *Loan limits on mortgages with government backing are scheduled to be*



reduced in many parts of the country on October 1.

Buyers then will likely face larger down payment requirements, along with higher rates. Mortgages backed by Fannie Mae, Freddie Mac, and FHA generally offer better terms than loans provided purely by private lenders.

After September 30 maximum loan limits offered by government entities will fall from \$729,750 to \$625,500 in some neighborhoods. Loan limits will be smaller in

communities not deemed to be high-cost housing areas.

Consumers who are considering a purchase in an upscale neighborhood could save money by applying for a loan before October. Encourage your buyers to contact me to see how this change will affect them.

I want to help your clients make a smart purchase on the best possible terms. A likelihood of higher rates and lower loan limits in coming months means we are going through a period of opportunity for savings now. ★

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- *Maximize Income Property Benefits*
- *Stay First in Their Hearts*

Signs of Progress

Signals continue pointing towards a steady recovery in the U.S. The Conference Board's index of leading economic indicators has gone up for twelve of the past 14 months.

A recent government report also shows that *household wealth grew by \$2.1 trillion during the last quarter of 2010*. Stock market gains contributed to most of that increase.

But the recovery we've experienced in stocks eventually could be repeated in the real estate sector. A pickup in the inflation rate is likely to put upward pressure on house prices over time.

Stocks have risen in the past two years due to higher corporate profits. Businesses are adding workers now to keep growing. And *ongoing improvement in the jobs picture will keep our recovery on track*, economists say.



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Thanks for Your Referrals!

Buying Smart

Americans are cautious about purchasing houses now — yet they retain their customary optimism about home-ownership. Owning a home is seen as part of a brighter future for many.

We should *remind our prospects that enjoying life in their own house is a smart goal.* Just gaining average returns on the funds put into real estate can be impressive over time.

A typical owner stays in their residence for a decade, says the National Association of Realtors. Figures from the Federal Housing Finance Agency reveal that *an average house purchased*

in 2000 is worth about 30 percent more today.

Prices have outpaced even the effects of our recent housing slowdown! Today's buyers are likely to see their property rise in value over coming years.

MORE JOBS

U.S. companies created more than 600,000 jobs during a three-month span earlier this year. *It was the fastest hiring pace we've experienced in more than five years,* and suggests that our economy is gradually strengthening.

Technology firms are adding workers today, so many of the new



jobs are substantial opportunities. Tech hiring also indicates that other industries are picking up.

Demand for housing currently is increasing, as well. Better employment prospects mean that Americans are moving out on their own, rather than sharing living space with friends or family members.

Up to a million new households will be established this year, reports **Bloomberg News.**

Demand for housing eventually will lead to increased sales and higher real estate values. ★



A Professional Promise



Responding to borrower questions is one of my most-important professional tasks. Educating clients about how to finance a home purchase puts their minds at ease.

But it's not enough just to learn how different mortgages work. *I'll show your buyers how various loans will affect their budget.*

Your clients can expect other services from me, as well. Most consumers don't understand their credit report. But *I'll go over that report with them, and discuss ways to boost their score.* They'll be more likely to borrow at a lower rate as a result.

Lenders have tightened their standards in recent years, so borrowers must present their financial situation in the best possible light. Count on my professionalism to *help your buyers navigate those potential pitfalls.*

And then I'll work with you to make sure everything flows smoothly to an on-time closing. **I'm here to help make a home purchase both simple and affordable for your customers. ★**



Strategies for Success

Studies show that success tends to come to people who believe they can reach their goals. But simply being self-confident isn't enough, say psychologists. *Hard work and planning are necessary to cause good things to happen.*

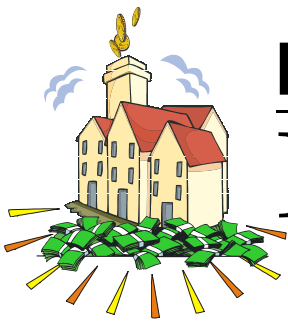
We're more likely to accomplish a lot if we start with an awareness that the road ahead will be challenging.

Being a "realistic optimist" encourages us to take positive steps towards our objectives, notes the **Harvard Business Review.**

Agents who want to boost their sales will identify a market niche and research it to find ways of reaching those new prospects. They'll also set aside the time and funds to pursue those goals.

Success then isn't a surprise — it's an expected outcome based on clear thinking and diligent work. All the optimism in the world won't help much if you don't have a road map taking you to your target. ★





Maximize Income Property Benefits

More investors are buying homes for rental properties today. *Lower prices and rising rents in many areas make income properties valuable now.* Help your prospects by letting them know what market rents are in different neighborhoods.

Over time, income unit owners expect to gain from rental income, tax deductions, and higher real estate values. House prices should increase as U.S. inflation rises in the future.

I'll show your income property purchasers how much their mortgage payments will be, so they can see how owning a rental unit would benefit them financially.

Encourage them to look for a property with superficial flaws.

A thorough inspection will determine that a building is sound, and in good working order. Adding a coat of paint and some landscaping then will make it easier to attract tenants.



BORROWING PAYS OFF

Even investors who could pay cash for their properties benefit from the *financial flexibility they gain by using a mortgage to help them purchase.* Owners can keep funds in reserve to cover maintenance costs when they finance a property.

Borrowing increases an investor's tax deductions, as well. And they can lock in low rates for years, while enjoying rising rental income over that time.

By not putting too much into any one property, your clients will have funds available to make additional investments as opportunities arise in the future. *Investing just a portion of a property's value and borrowing the rest also will increase investment returns.*

Buyers still should make a sizeable down payment, and they'll then be able to borrow funds on great terms. But having a mortgage provides them with benefits that all-cash buyers miss.

Have your investment property buyers schedule a meeting with me soon to discuss their objectives. I'll work with you to obtain the results they want! ★



Stay First in Their Hearts

Your past customers are your best source of future deals and referrals. However, today it's harder than ever to stand out in their minds. Here are some thoughts on remaining memorable:

Find out what your clients expect from you. Every agent's buyers and sellers are different, so determine what yours would appreciate.

Some may enjoy getting a **phone call on their birthday**, while others might be looking for **regular updates on the local real estate market**. Whatever path you take, approach it creatively.

Consider sending a lottery scratch ticket to past clients on their birthday. Add a note saying, *"You may not be lucky with the lottery, but I'll show you how to be a winner when it's time to buy a home!"*

Or **e-mail the sports schedules of local school teams** to your database. Ask them to stop and say "hello" if they spot you at one of those contests.



You also can *show you're part of the community by hosting a July 4th party for clients.* Circulate among your guests as you provide food and games in a public park. Or secure a choice viewing spot for the local fireworks display, and invite your past customers to enjoy the show with you. ★

Signs of Progress

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Homeowners are finding it's easier to stay current with their payment schedules, adds the Mortgage Bankers Association (MBA). *"Significant, across-the-board decreases in mortgage delinquency rates in the U.S."* are reported by MBA's chief economist. "We have clearly turned the corner."

Your customers may be surprised at how low rates and great home values are combining to make purchasing affordable. **Let me assist you in helping more households to buy this year.** ★





Brent Rasmussen,
CRMS, President

Driven. Trusted. Reliable.

I am a self driven person just like you are, so I understand that your business doesn't just occur from 8am – 5pm. As a Certified Residential Mortgage Specialist I am here to serve you day, night or weekends when your clients call you.

I promise to get you and your clients the best service in our industry as I have gained trust, knowledge, and reliability through the years. I am committed to exceeding your expectations, and those of your clients, by providing excellent customer service and getting your transactions done on time!

- Service, Service, Service is #1
- Free Pre-Approvals
- Competitive Interest Rates and Closing Costs
- FHA, VA, Conventional and USDA Rural Housing Loans
- Expertise and Answers the 1st Time
- Honest, Efficient, Courteous and Professional Service
- Prompt Response throughout the Process, Day, Night or Weekends



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