



Seasons Change As Do Markets...



PRM INSIDER™

A newsletter published by Pacific Residential Mortgage

Our own Eric Wiley, COO, was interviewed by the Portland Business Journal for an exclusive article appearing in their Fall 2011 Financial Services Guide. Here's what he had to say:

On Interest Rates through 2011...It's always dangerous to predict the interest rate markets. The same political and real pressures that are keeping rates low for consumers and banks alike seem to be here for the remainder of the year. This is in line with Federal Reserve Board statements by Chairman Ben Bernanke. That probably can't be said for 2012 as the Federal Reserve's monetary policy of low rates will likely have to give way to debt market forces outside of our control.

Buyers that are waiting on the sidelines should really analyze what a 1% to 2% increase in an interest rate will mean to their monthly payment on a new home as opposed to waiting for a potential price drop of another 5% to 10%.

On Sale Prices of Existing Homes...No one wants to see their home's equity fall but we are likely to be in a soft market for a while. If I have a concern, it's that potential home buyers are being scared off by the media over fear of not achieving "rock bottom prices". This angle has been completely over-played. Many markets are already at rock-bottom prices so much so you simply can't acquire a lot and construct a home for the selling price.

On the plus side, home affordability was (previously) out of touch with incomes, and falling values bring buyers back to the market. In a telling sign of recovery, or at least stabilization, we are now seeing the first time buyer becoming more active and home prices in this range are selling more quickly.

On Mortgage Products Offered by PRM...Pacific Residential offers the full complement of loan products as well as many niche products. This includes; Fannie Mae, Freddie Mac, FHA, VA, ODVA, US Department of Agriculture, State Bond, Jumbo, Reverse mortgage, Country Home, 2nd mortgages as well as other types of real estate financing.

On Independent Mortgage Bankers thriving in the current economy...Many lenders have failed due to lack of loan volume. Since the beginning of the mortgage meltdown, financial services and mortgage lenders have been the target of legislators and regulators causing a substantial increase in compliance and quality control



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At A Glance...

- September 23 Autumnal Equinox
- October 10 Columbus Day
- October 27 Harvest Gathering
- October 31 Halloween
- November 6 Day Light Savings
- November 11 Veterans Day
- November 24 Thanksgiving
- December 25 Christmas Day
- December 31 New Year's Eve



www.nmlsconsumeraccess.org

Autumn Is A Second Spring Where Every Leaf Is A Flower - Albert Camus

Trivia...

Q: What language does the word Autumn come from?

Q: What day will we have an equal amount of day and night?

Q: How many pounds of candy corn are sold annually?

Did You Know?

Any additions, alterations or up-grades since initial construction, requiring permits, must be documented when selling or financing your home. To avoid delays, have permit documentation ready.

Trivia Answer Key

1. French
2. September 23, Autumnal Equinox
3. 20 million. Enough to circle the earth 4.25 times if laid end to end

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standards. This has placed a burden on all mortgage lenders to staff up their back offices and to actively manage their origination business.

Many smaller mortgage bankers simply cannot afford to operate in this new environment, causing quality originators to join firms that have stronger backing. This has allowed the larger, more financially stable, locally based, mortgage bankers to grow in a time of industry retraction.

On Opportunities For Near-Term Growth For PRM... Those of us at Pacific Residential Mortgage are excited about the market shift from heavy refinance volume to a purchase loan market. While many of our competition fared well during the protracted refinance market they are not so well positioned for a smaller lending marketplace in which most loans will be for home purchases.

Pacific Residential originates almost all of its loans from repeat clients, past-client referrals and real estate professionals. In fact, we are actually growing as a company by attracting experienced mortgage professionals that are seeking to surround themselves with a great group of industry veterans.

For Eric's complete article, go to: www.bizjournals.com/portland

Better Than Gold?



Is this the right time to invest in real estate?

Market indicators say yes! Sound investing is based on facts, not hype, and the facts say "buy now". We all know that housing prices and interest rates are at liquidation prices making mortgage payments a bargain? **But did you also know**, in many areas, rents are on the rise, vacancy rates are dropping, and the gap between the rental income and mortgage payment is narrowing? View the latest rental trends, by location, at sites like **Rent Jungle** and **rentBits**.

All of these factors are creating an opportunity for a positive

cash flow like we haven't seen in years! Couple this with uncertainty in other asset-based investments and the signals to buy become even stronger. Need more facts? The basic indicators that govern property values: *owning vs. renting, foreclosures along with housing starts*, are pointing towards stabilization in the housing market. Five of the communities we serve are identified by Fiserv™ Case-Shiller indexes™ and referenced by the Business Insider as the "**Best Markets for Home Ownership**" over the next 5 years.

As one of the Northwest's leading Mortgage Banks, PRM has the products and experience to help you take advantage of this unique time, including **10% down investment and vacation home loans** (some with no MI or appraisal). We also have special financing for multi-family, mixed use, commercial, college bound kids, dependents, 4+properties and much more.

If stocks and gold aren't giving you these same 'buy' signals, then it may be time to re-evaluate your investment strategy.

May The Bounty Of The Season Fill Your Heart And Home!



PRM Receives The 2010 Quality Lender Award

For the second consecutive year, Pacific Residential Mortgage has been honored as the recipient of the "Quality Lender Award" for 2010.

We are proud to again receive this prestigious award that recognizes our dedication to producing and selling high quality loans. Your continued trust and support of our own in-house bank and local underwriting has helped make this possible and reflects our success and strength as a mortgage banker and mortgage broker in providing the best possible client service.

Thank you for your ongoing business and referrals which we consider our ultimate award!



As part of our commitment to give back to the very communities from which we each earn our living, **Pacific Residential Mortgage** supports many different charities.

Clackamas Women's Shelter

Clackamas Women's Services (CWS) is committed to ending domestic and sexual violence against women of any age. Over the last 16 years, CWS has safely and uniquely housed over 7,000 women and their children within the walls of two shelters and responded to over 70,000 crisis calls. They are one of the few shelters that accept both women and their children. Additionally, CWS provides broken families with long-term emotional and financial support, and transitional housing to ensure their successful journey from crisis to stability. Because of the negative impact of family violence on youth, CWS has developed a program specifically for children. Youth Advocates work with local schools to educate groups of girls and boys about dating violence and sexual assault while encouraging them to be non-violent role models. The overall goal of the CWS Prevention Education & Youth Program is to encourage critical thinking about issues surrounding violence in our community and to help students build skills for healthy relationships.

Want to become involved? Volunteers are valuable to the organization and are appreciated in all areas of the programs and services provided. CWS accepts donations for their emergency shelter, long-term transitional housing, and their community outreach program.

To learn more about CWS, visit: www.cwsor.org

Around The House...



FALL TIPS

Inside:

- Tune up the heating system - change filters, convert to a programmable thermostat & have inspected by an HVAC contractor
- Prepare the fireplace - have cleaned/inspected & test smoke detector
- Check windows & doors for drafts, add weather stripping & caulk as needed
- Clean out air ducts & vents (especially the dryer)

Outside:

- Inspect Roof for cracks & damaged, missing, loose shingles
- Remove the clutter from your gutter
- Check exterior walls for cracking/peeling paint
- Beware of critters- check for signs of pest infestation

Greenside:

- Fertilize the yard
- Plant flower bulbs (tulips, daffodils, hyacinth, crocus & more)
- Add an extra layer of mulch to your landscape beds
- Perfect time to start a compost

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What's Inside:

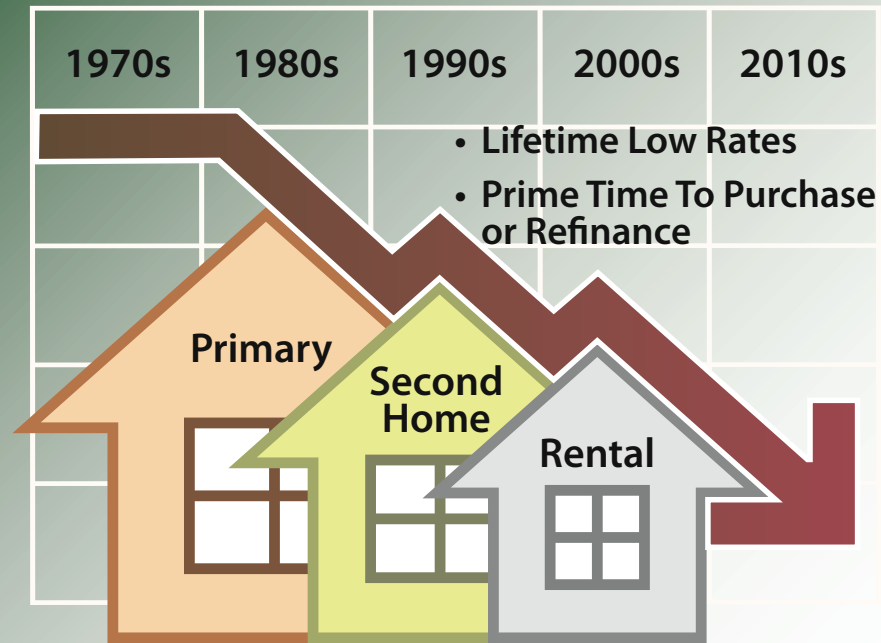
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Rates Are On Sale!

All Time Low Rates On 30-Year Mortgage!



Great Opportunity 40 Years In The Making

Average rate on 30, 20 & 15-year fixed mortgages fall to lowest on record dating to 1971!