



4811 Telegraph Ave., #511
Oakland, CA 94609

PRESORTED
STANDARD
U.S. POSTAGE
PAID
MONUMENT, CO
80132
PERMIT #57

Vic's Mortgage Report

"Home of Free Mortgage Consultation"



Viral (Vic) Joshi
*Branch Manager/
Loan Consultant*
DRE Lic. No. 01242935

Compliments of: Viral (Vic) Joshi

Straight Deal Mortgage is licensed by the CA Dept. of RE, License #00654852



Viral (Vic) Joshi *Branch Manager / Loan Consultant*

Office: (510) 655-2868 Cell: (510) 853-2407 Fax: (510) 291-2824
Email: viral@vicjoshi.com Web: www.vicjoshi.com

(continued from front page)

economy remains even through a very aggressive QE1 that saw the Fed purchase \$1.25 Trillion worth of mortgage backed securities from Fannie Mae and Freddie Mac.

As long as jobs are weak, consumer spending is down, and the real estate purchase market remains in it's doldrums, we will continue to see lots of refinancing for the very few who can qualify and not a whole lot else.

Speaking of refinancing, I am doing a lot of work in this arena with rates continuing to hit historic lows for all fixed rate and adjustable rate products. Many of my clients are taking advantage of the stimulus programs that exist for borrowers who are up-side down in their equity or just minimizing cost by refinancing without the need of an appraisal. I am working with a lot of clients who have second mortgages but need to refinance their first mortgage only. If you have a complicated situation, there may still be hope for a refinance and I have access to many creative products designed to help those with tough situations.

Finally, let's all give a fond farewell to Bank of America's wholesale mortgage division. They announced in the first week of October that they were pulling out of the broker channel and will only originate loans through correspondent mortgage banks and through their own retail banking division. This is the second time in recent memory that they have done this. The first time

was a couple years ago after they had purchased that monumental failure, Countrywide, and then they re-marketed the Countywide mortgage division as the new BofA wholesale mortgage division. Now they have given up on that division as well. Just as well, as it was taking over three weeks to get a loan approval and over 60 days to get anything closed.

I, for one, am glad to see them finally go away from the broker channel as they had become abysmal at doing business. We will continue to work with them, however, since my broker/banker is a correspondent of BofA and BofA purchases most of the loans that our banking division originates. It's a good thing that they recognized that mortgage bankers can help them originate loans more efficiently than they can on their own.

If you have any questions or need me to educate you more on how mortgage banking is working, or not working, these days, please don't hesitate to call me.

*As always, your loan guy,
Viral (Vic) Joshi*

P.S. If you want to get more timely market updates, I have a weekly newsletter that goes out via e-mail. E-mail me, viral@vicjoshi.com, so that I can put you on the mailing list.



Viral (Vic) Joshi
*Branch Manager/
Loan Consultant*

*Hello Friends,
It's all about
the Fed and
Quantitative
Easing in this
issue. Late
September the
Federal Reserve
announced that*

they were looking at another round of *Quantitative Easing*, the media is calling it QE2, to help the floundering economy if they find it is necessary. Since that announcement, there has been rampant speculation from all corners of Wall Street that QE2 is a done deal.

Early October found various other economic powers such as Japan and the European Union also talking about their own QE. The goal of QE is to provide more currency by investing in treasuries, that then weakens the currency and makes exports less expensive, which causes more income from sales of exported goods. Sound complicated to you as well?

On top of that, U.S. Treasury Secretary Timothy F. Geithner said countries that rely on exports for growth must change their policies or "global growth will slow and all of us will be worse off." It doesn't look like anyone cares much about what Tim Geithner has to say since the current fix in vogue globally is to weaken currency to drive sales of exports.

QE2 will continue to keep a lid on interest rates but it may not do much else as the underlying weakness in the
(continued on back page)

Office: (510) 655-2868
Cell: (510) 853-2407
Fax: (510) 291-2824
Email: viral@vicjoshi.com
Web: www.vicjoshi.com