



Mesa Pacific

Mortgage & Investment Inc.

THE MORTGAGE REPORT
11/20/84

AUTUMN USHERS IN THE FALL:

Mortgage rates posted their lowest level since February, falling to a 13.25% street rate during the FHLMC fixed-rate auctions yesterday, with government points hitting 3.5 at a 12.5% note rate (VA should soon announce a 12.5% rate)! The credit market makes these advances based on the conviction that the FEDs are to provide a THANKSGIVING offering of lower rates in everyone's holiday pot, now that it is evident that this economy has run out of steam. With little threat of inflation coming out of a withering economy, the FEDs will be serving up more than just morsels to the credit-starved. Pass the giblets, please...

SELLER GETS THE POINTS AND THE SALE:

Sellers who want to move quickly but don't want to become lenders, carrying paper at low rates, should consider another strategy. Buy-down a 30yr. fixed mortgage to, say, 11½%. Developers don't lower sales prices. They simply pay more to buy down rates until it becomes attractive. So don't lower the sales price; lower the interest rate. Call for permanent buy-down pricing for 30yr. fixed rates to \$250,000.

TWIST OF IRONY:

The housing lobby exhibited its clout in the Elections as 93% of the congressmen supported won election. Unfortunately, the alignment of Democrats in Congress vs. a Republican administration spells real trouble for reducing the Fed'l deficits; and without meaningful budget cuts, interest rates will probably come back in '85 to haunt the housing industry...

Another irony, still, is that buyers and refiners tend to wait until the Spring to take care of their needs, although recent history shows that the best buys are had during the slow, Winter months, when rates are down due to sluggish economic growth. He who hesitates follows the crowd...

FIRST TRUST DEEDS

RATE	PTS	TERM	LTV	LOAN MAX
12.875%	2	15yr. fixed	95%	\$114,000
13.50%	3	15yr. fixed	90%	\$200,000
13.50%	2.5	15yr. fixed	80%	\$250,000
12.625%	4	30yr. fixed	95%	\$114,000
13.00%	2	30yr. fixed	95%	\$114,000
13.50%	2.5	30yr. fixed	90%	\$150,000
13.50%	3	30yr. fixed	80%	\$250,000
13.625%	3	30yr. fixed	70%	\$300,000

NON-OWNER OCCUPIED TO 80% LTV AVAILABLE
PERMANENT BUYDOWNS AVAILABLE

OWNER-OCCUPIED REFINANCE TO 90% ON FIXED RATE OR ADJUSTABLE

SECOND TRUST DEEDS

13.1875%	4	15yr. FIXED	80%	\$57,000
13.625%	4	15yr. FIXED	80%	\$114,000
12.50%	3.5	30yr. ARM	75%	\$150,000
NON-OWNER OCCUPIED 2NDS				
15.00%	4	15yr. FIXED	75%	\$150,000

PURCHASE TRUST DEED NOTES
CONSTRUCTION & TAKEOUT
COMMERCIAL LOANS
APARTMENT LOANS
NON-QUALIFIERS
LAND LOANS
SBA LOANS
FHA-VA

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