



**FEDERAL MORTGAGE COMPANY Inc.**  
**2371 EASTLAKE AVENUE EAST**  
**SEATTLE, WA 98102**

**November 7, 2007**

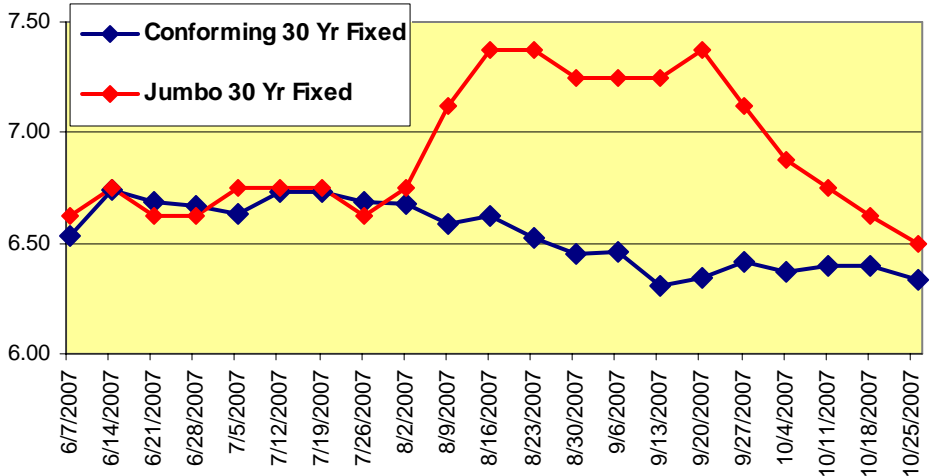
# MortgageGram

## Jumbo Fixed Rate Mortgage Trends Improve

Conforming rates improved and the spread compared to Jumbo mortgage rates continued to get **better** this past month as secondary marketing recovers from the sub prime shock.

As of Nov 7 we can do a conforming **30 year fixed rate at 6.125% with zero points**, and the **15 year fixed is available at only 5.75%** with no points (and no prepayment penalty and no balloon). One can refinance out of a potentially big rate increase on a 5 Year ARMs that may be coming up in the next few months. Call us for details!

### 30 Year Fixed Rate Mortgages



### AMAZING Business

#### Commercial Line of Credit

We can provide a business line of credit with **NO INCOME VERIFICATION** secured by a commercial building with excellent terms. Call Conrad on 206-325-8400 for the details.

## Single Family Housing Trends

The number of single family sales firmed last month in King County and the average time to market these homes improved from last month. Still, the median home price slipped to **\$443,950** in October from the all time high of **\$481,000** in July this year. The average time on the market for current listings in October was 60 days compared to 43 days this time last year. We have charts for Pierce and Snohomish County too - just call me at 206-325-8400 or email me at conrad@fedmtg.com for the complete details. *Conrad*

### Oct 2007 House Market Comments

**Greenlake / Ballard** had a median home sales price of \$487,250 and the shortest average marketing time of just **34 days**. The next shortest average marketing time was **East Bellevue** with 53 sales in only **36 days** and a median list price of **\$648,350** with 278 listed now.

In the **Kent area** it took **67 days** on average to sell a \$348,000 median sales price home. There were **93 sales** out of the 758 listed at an average of \$441,536.

**Des Moines** had the lowest median home sales price of only **\$299,950** and it took 70 days to sell 23 out of the 217 listed. **Auburn** was next at **\$303,800** with an average 79 days to sell 61 homes with 476 listed.

The **highest median home sales price** was **Medina / Clyde Hill** at **\$1,190,400** which took an average 56 days to sell - even less than the 89 days to sell in Sept 2006. There were 23 sales out of 220 listed.

The **highest average listing price** currently is on **Mercer Island** at **\$2,691,000** and they have been listed on average for 99 days. However the **median sales price** was just **\$1,005,000** on 21 sales out of the 151 listed.

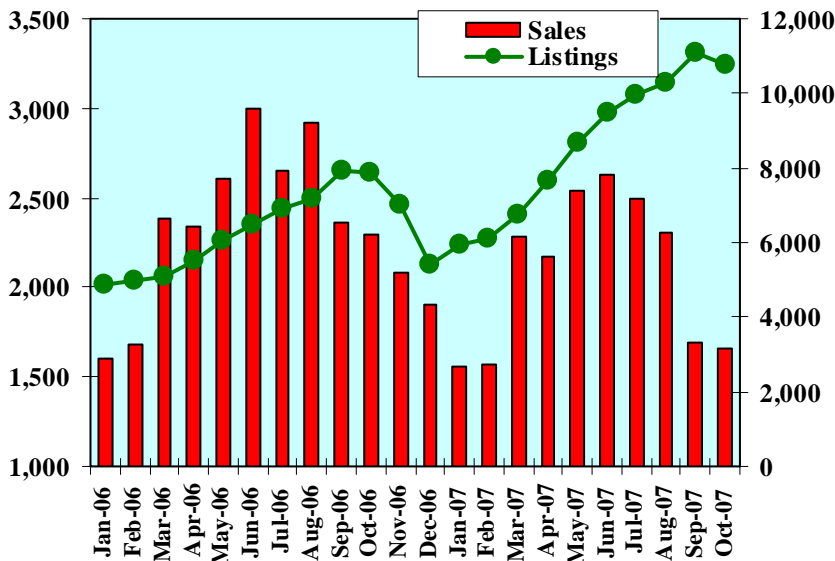
The **Issaquah Highlands / Inglewood** area had 150 median sales of **\$539,000** out of 814 listings taking an average of **60 days** to close the sale.

In the **Queen Anne / Magnolia** neighborhood it took an average 39 days to sell 36 homes with an **average \$826,000 sales price** out of the 266 listed for sale.

In **Kirkland** 48 homes were sold in 66 days at a median price of **\$614,975** with 424 homes listed now.

There are now **60 homes** listed in Puget Sound at **over \$5 Million** averaging **312 days** on the market so far.

### King County Residential Sales and Listings



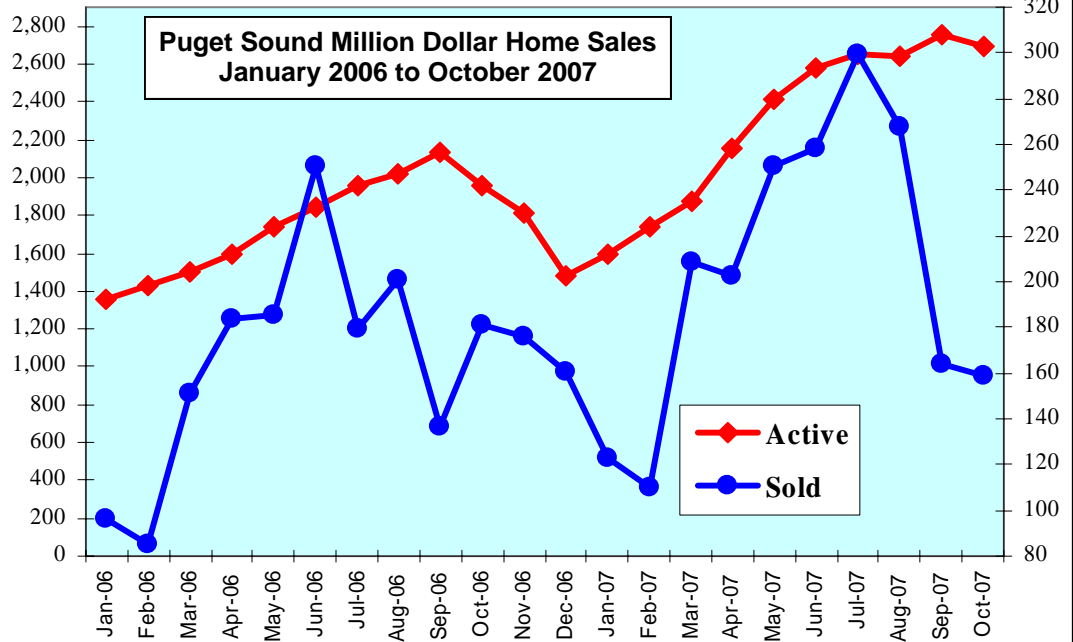
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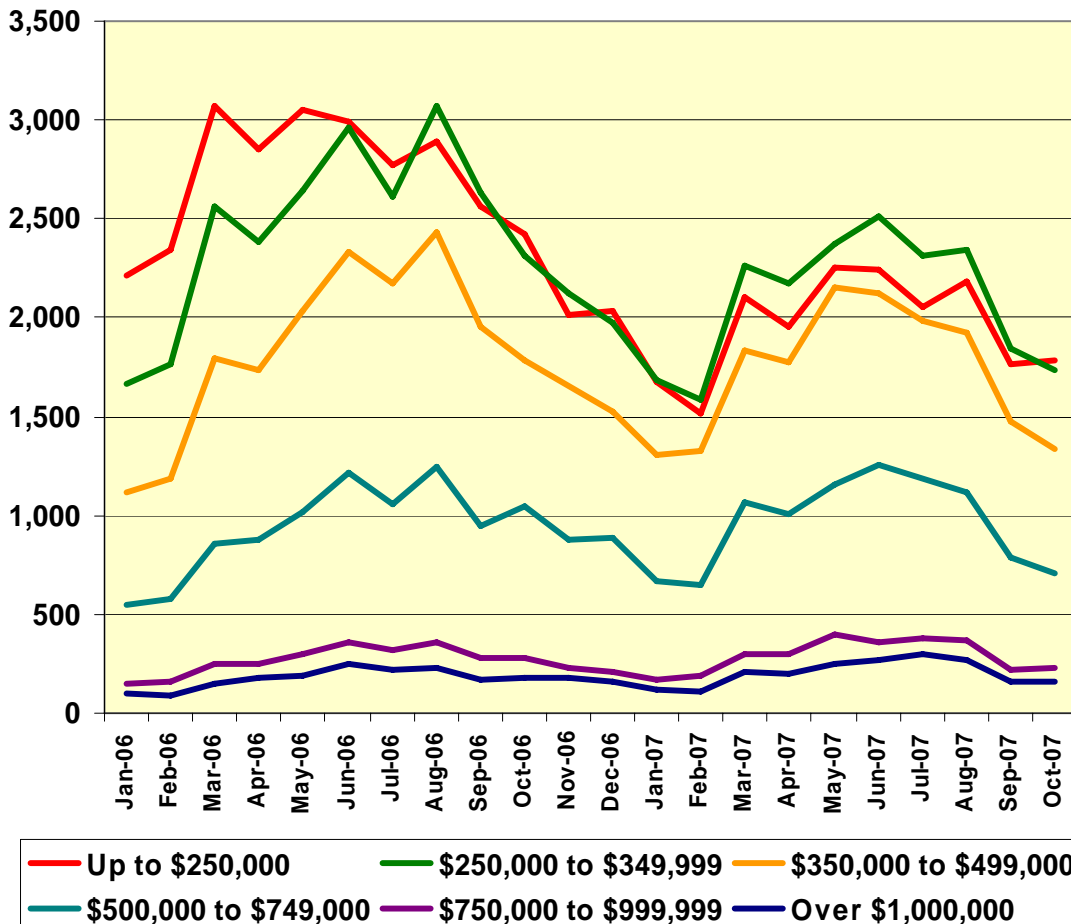
**Puget Sound Home Price Range Trends**

How have the sales in different price ranges changed in the past year and a half? The recent increase in Jumbo rates did seem to have a slight affect since August considering normal seasonal trends. The under \$350,000 price range did better and the drop in sales was more for the over \$750,000 price ranges for September. Then in October those sales were slightly higher as improvements in Jumbo rates helped the sales. Sales under \$250,000 did increase in October.

*Buying? Call us for **great** Jumbo and Conforming Mortgage Loan Rates!*



**Puget Sound Home and Condo Sales by Price Range**



**UNIQUE Underwriting**

We have found many ways to obtain better deals for our borrowers. Here are a few: **Blended Debt to Income Ratios:** This enables a borrower to purchase a property when their own income is not sufficient. Even if a borrower has NO income they can purchase a home with a co-borrower. **Good while they are going to college** - this way parents can get owner occupied pricing to provide housing while the child is in college and get an investment property. **Divorce Cash Out:** When one spouse gets cash out to payoff an ex-spouse it is not considered cash out by FNMA (and there is no extra fee). **Raising Credit Scores:** Call the credit card issuers and ask for an increase in the credit line to reduce the debt to line ratio. When done, this can be verified quickly for a possible credit score improvement. (Also ask for a lower rate on the card at the same time!)

**Call Federal Mortgage Company** at 206-325-8400 any time with your scenarios and questions! We can help determine the best financial solution for you, your family and your clients.