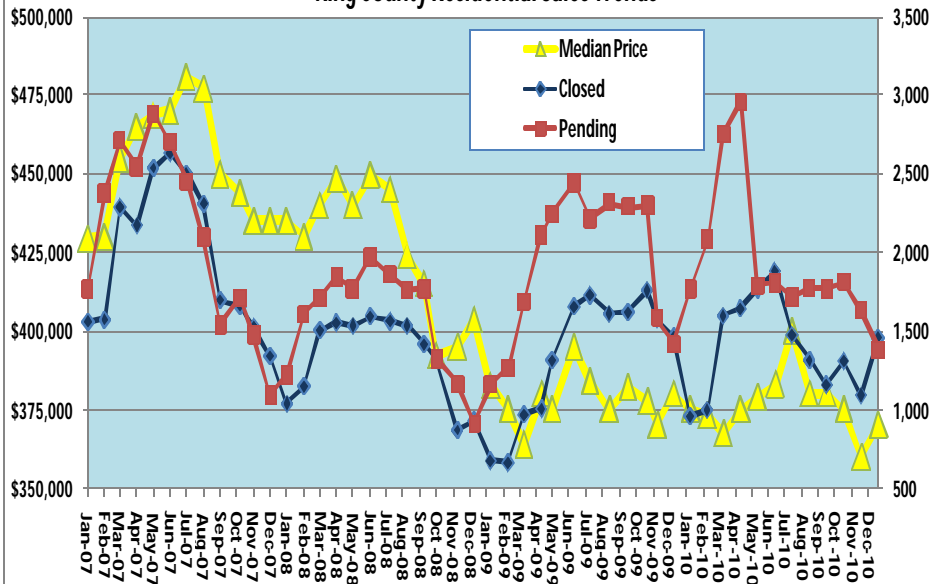




December 2010 Puget Sound Home Financing and Sales Trends

King County Residential Sales Trends



Single family sales in **King County** were 1,458 in December up from the 1,092 in Nov but was about equal to the 1,462 in Dec 2009. The number of pending sales seasonally dropped. The median home price **moved up** last month to **\$370,000** but is down 2.6% from a year ago. There were 387 distressed sales (26.5% of the total) and without these types of sales the median home price is **\$415,000 - about a 12% impact**. There were **7,364** homes listed on MLS at the end of December, and of these **33.9%** or 2,501 were listed as a Short Sale or Bank Owned. Overall with 1,458 in total sales it indicates a **5.1 month inventory** and the average time on the market was **126 days**. In **Medina** the median home price actually **increased** to \$1,695,000 in December. For more information on King, Snohomish, and Pierce Counties see www.fedmtg.com and click on **Single Family Sales Data** for more details.

New Mortgage Underwriting Tips

The increasingly specific mortgage guidelines and meticulous underwriters can be frustrating, however mortgage applications can go smoother with better preparation. Here are some recent tips:

No new credit after application: a credit report is run at application then again just before closing. Any new credit needs to be documented which can slow down the closing. Avoiding anything new helps.

Bank Statements: Statements showing any overdrafts are very dimly viewed by underwriters. Caution here.

Subordinating a Second Mortgage?

Be sure to provide a copy of the Note that shows all the terms.

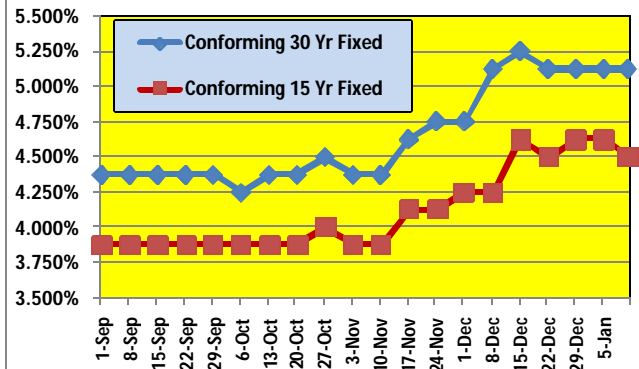
Tax Returns and all K-1's: All K-1's will be requested, and if showing a 25% or more ownership then the complete business tax return is needed.

Funds needed for a purchase: The bank statements covering 60 days are required, and any large deposits need documentation on the source.

Current Jumbo Loan Options

5 Year ARM at 3.75% (APR 3.76%) with zero points to a **\$1,500,000** loan amount, a **7 year Interest Only ARM at 4.875% (APR 4.89%)** to **\$2,500,000** and many more options! **Note:** These loans have special underwriting provisions, so please call us with your scenario.

Conforming Mortgage Rate Trend



Our FNMA **Zero Point** rates moved up starting in November and are now **5.125%** (APR 5.127%) for the 30 Year fixed rate and the **15 Year** fixed is now **4.50%** (APR 4.52%). Rates based on a 60% loan to value and 740+ credit scores: please call us on 206-325-8400 and we will be happy to provide a specific quote for your scenario.

Funding Provided By:



Legacy Group Lending is an independent mortgage, capital, and escrow company based in Bellevue, WA committed to helping individuals and families with Residential, Custom Construction, Portfolio, and Commercial lending. We are licensed and bonded to originate commercial, and FNMA, FHLMC, FHA and VA loans in **Washington, Oregon, Idaho, Alaska, Arizona, and California**. Please call **Mary Kay Morse MLO 167327**, or **Conrad Wouters MLO 105806** at **206-325-8400** about our expanded real estate loan programs and for a detailed estimate with financing terms available on your specific scenario.

Conrad's Restaurant Tips

Best Mac and Cheese at Steelhead Diner - always creamy smooth. **Best Pomme Frites** at the Tin Table - amazing shoestring fries. **Fun Restaurant:** Luc in Madison Valley for great French flair. **Best Italian:** Salvatore on Roosevelt - excellent specials every night! **Best Seafood:** Blueacre - wonderful oysters and amazing crab cake. **Best New Restaurant:** Le Grande in Kirkland.