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on **INTEGRITY**

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It's Not A Good Time To Consider Moving – It's A GREAT Time!

by: Joseph Bayer, President

Last week I had dinner with Keith Anderson, a close friend of mine who was in town. Keith works for Fannie Mae and, of course, our conversations centered on housing.

Fannie Mae has mapped out the entire nation, county by county. Counties colored red designate areas of declining home values. I mentioned to him that my youngest brother had moved to Miami.

His response... "Joe, *the entire state of Florida* is red, except for one tiny dot of green." Of course, I asked which county was green. His response... "It's the only area where there are no homes. It's called the Everglades!"

Question: In the St. Louis region, how far have home values dropped?

Answer: In St. Louis, we have *pockets* of declining areas, but there is very little *red*. And, the reason is simple - St. Louis isn't experiencing the speculation buying and over-building, like many other areas. When our market slowed down, sellers simply pulled their homes off the market. We don't have blocks and blocks of vacant homes. We're St. Louis.



St. Louis' *high tide* was 2005. Then, beginning in 2006, there was a decline in demand. There is a big difference between "demand decline" and "value decline." Certainly there is some value decline in individual houses, but, that is not the same as entire markets in decline.

Barbara Kiskiras, Certified Residential Real Estate Appraiser, puts it this way. "Although the residential real estate market has shown declining values since June of 2006, those homes that were purchased prior to the peak of the market, or prior to 2004, may actually show some appreciation in value... (and) are keeping pace with inflation over the longer term."

So what makes now the perfect time to buy a home? Two factors. First, most of the excess housing stock has been pulled off the market.

Hands Down...

First Integrity Borrowers Beat The High Cost Of Mortgage Insurance And Jumbo Loans

Why pay for private mortgage insurance (PMI), or pay higher rates on a jumbo mortgage, when there's PowerPlus? PowerPlus Mortgages, a First Integrity exclusive, are strictly designed to reduce monthly mortgage payments for higher credit score borrowers (680+).

Borrowers who finance a home with less than 20% down are usually required to purchase PMI. This can cost the average borrower several thousand dollars a year... money that won't be applied to the loan principal.

Loans for more than \$417,000 are referred to as jumbo loans. These loans usually carry a higher interest rate, regardless of how much equity the borrower has in the home.

PowerPlus Mortgages eliminate the need for PMI and higher jumbo mortgage rates.

PowerPlus is what is commonly referred to as a "piggyback loan." Instead of a single mortgage, the loan amount is divided into two less expensive loans... a 30-year-fixed-rate 1st mortgage (80% LTV, or loan-to-value), plus a 2nd mortgage for the remaining balance. The 2nd mortgage is fixed for 7 years and amortized over 30 years, at a very attractive interest rate.

The majority of area lenders lost their sources for piggyback mortgages. First Integrity, however has kept its long-standing relationships with our local not-for-profit lending partners, which allows us to continue offering this money-saving option.

To see how much you could save with PowerPlus, visit www.FirstIntegrity.com and click on PowerPlus.

Calculate Your Savings With PowerPlus Mortgages

Whether you want a conventional loan with less than 20% equity, or want to borrow more than \$417,000, PowerPlus can dramatically reduce your monthly payments.

Power Plus vs. Private Mortgage Insurance (PMI)

5% Down Payment —
\$170,000 Sales Price



	Monthly PMI	PowerPlus Loan
1st Mortgage Amt.	\$161,500	\$136,000
PMI Premium Amt. Financed	\$0	\$0
2nd Mortgage Amt.	\$0	\$25,500
Total Amt. Borrowed	\$161,500	\$161,500
1st Mortgage Start Rate	6.000%	6.000%
2nd Mortgage Start Rate	0.000%	6.000%
1st Mortgage Monthly Pmt. (P & I)	\$968	\$815
Monthly PMI Payment	\$105	\$0
2nd Mortgage Monthly Pmt. (P & I)	\$0	\$153
Total Monthly Loan Pmt.	\$1,073	\$968

Annual Savings With PowerPlus = \$1,260

Power Plus vs. Private Mortgage Insurance (PMI)

10% Down Payment —
\$225,000 Sales Price



	Monthly PMI	PowerPlus Loan
1st Mortgage Amt.	\$202,500	\$180,000
PMI Premium Amt. Financed	\$0	\$0
2nd Mortgage Amt.	\$0	\$22,500
Total Amt. Borrowed	\$202,500	\$202,500
1st Mortgage Start Rate	6.000%	6.000%
2nd Mortgage Start Rate	0.000%	6.000%
1st Mortgage Monthly Pmt. (P & I)	\$1,214	\$1,079
Monthly PMI Payment	\$88	\$0
2nd Mortgage Monthly Pmt. (P & I)	\$0	\$135
Total Monthly Loan Pmt.	\$1,302	\$1,214

Annual Savings With PowerPlus = \$1,044

Power Plus vs. Jumbo Financing*

20% Down Payment —
\$700,000* Sales Price



	Monthly PMI	PowerPlus Loan
1st Mortgage Amt.	\$560,000	\$417,000
2nd Mortgage Amt.	\$0	\$143,000
Total Amt. Borrowed	\$560,000	\$560,000
1st Mortgage Start Rate	7.000%	6.000%
2nd Mortgage Start Rate	0.000%	6.000%
1st Mortgage Monthly Pmt. (P & I)	\$3,725	\$2,500
2nd Mortgage Monthly Pmt. (P & I)	\$0	\$857
Total Monthly Loan Pmt.	\$3,725	\$3,357

Annual Savings With PowerPlus = \$4,416

*Current maximum PowerPlus loan \$617,000.

The savings with PowerPlus is clear...it's like having someone make a monthly payment for you every year!

Reverse Mortgages Help Improve Quality Of Life – Real Stories

More and more senior adults are taking advantage of the benefits of a reverse mortgage.

Reverse mortgages were developed nearly 20 years ago by Fannie Mae, Federal Housing Authority (FHA) and AARP. They enable homeowners over the age of 62 to convert a portion of their home's equity into tax-free funds with no repayment for as long as they live in their home. They maintain title and ownership rights.

Once approved, the reverse mortgage proceeds can be paid as a lump sum, as monthly payments, as a line of credit, or a combination of these methods.

How have reverse mortgages helped First Integrity clients?

- Both Bill and Jo Ann are legally blind. During the ice storms last year, they lost their electricity for several days, making it very difficult just to get by. With part of the funds they received from their reverse mortgage, they were able to purchase an auxiliary power source for their home and make modifications to their side yard, making gardening and enjoying the outdoors much easier.
- Ann was driving a 17-year-old car. Every time she drove, she was afraid that she would get stuck on the highway somewhere – a very frightening thought for her. With the proceeds from her reverse mortgage, she was able to purchase a brand-new Honda Civic. She also upgraded her stove and purchased a new bed.
- Bernie's mortgage was eating up a very large portion of his monthly Social Security check. He was afraid he would have to sell his home to pay other monthly bills. After getting his reverse mortgage, he was able to pay off his first mortgage, giving him money to pay monthly expenses and stay in his home. "I feel so good about having extra money available for a rainy day," he said.

For a free informational package on the First Integrity reverse mortgage program, call Jim Dorna at 314-878-7900.

Consider Moving

(continued from page 1)

Therefore, most homes on the market are owned by realistic sellers. Most Realtors® are unwilling to accept over-priced listings. The result is appropriately priced homes in St. Louis. Over-priced homes are either price-adjusted or pulled off the market.

Secondly, interest rates on "A" paper loans (the kind that First Integrity specializes in) are very affordable. In fact, they are not only affordable – they are a bargain!

Personally, my family is now in the prime home buying age. My message to them is simple – now is the time to buy. In the current economic climate, cash is "king," meaning most people don't have excess cash. For many of those who do, they would prefer to keep as much of it as possible.

For this reason, First Integrity has developed mortgage products exclusively for the St. Louis market. Customers with credit scores of 680 and above have earned the opportunity to move into their next home without expending much of their precious cash (see www.FirstIntegrity.com and click on PowerPlus).

Now *is* a GREAT time to buy.

Is Your Interest Rate 6.5% Or Higher? Then It's Time For A Mortgage Check-Up!

Are you paying the lowest rate available on your home mortgage? Are there cash options in your home that can help you consolidate your bills? Is it time to switch from an adjustable rate to a fixed-rate mortgage? Can you eliminate your PMI?

You should make a 'mortgage check-up' a priority. Just contact a First Integrity loan officer. We can help you review the options that are best for you, whether it be a lower interest rate, cash-out for home improvements, even a home equity loan through one of our not-for-profit business partners.

There is no cost for a mortgage check-up, and no obligation to refinance if it is not in your best interest to do so. Visit www.FirstIntegrity.com or call us at 314-878-7900 to schedule a check-up.

Receive FOCUS Electronically And Save A Tree

You can receive FOCUS quicker and help the environment by choosing to have it sent via e-mail. To sign up, log on to www.FirstIntegrity.com and give us your e-mail address.

In addition, you can request a free 'mortgage check up', apply for a loan or obtain more information on our improved Web site. Be sure to visit today!



Kiss The Cook!

Killer Cheesecake

by Marie Gianoulakis

Filling:
3 lbs. cream cheese (6 packages)
16 oz. sour cream
3 eggs
1 1/2 cups sugar
1 tbsp. pure vanilla extract

Crust:
1 1/2 cups crushed graham crackers
1/2 stick butter (melted)
3 tbsp. sugar


Pan: 10-inch spring form pan required. Using butter, grease sides and bottom of pan, then sprinkle pan with sugar.

Crust: Mix all ingredients together, pat into place. Bake in pre-heated 350-degree oven for 8 minutes – then cool.

Filling: In large bowl, beat sugar and cream cheese until smooth. Add sour cream, eggs & vanilla until completely mixed. Pour filling over crust. Bake at 300 degrees for 90 minutes. Refrigerate until completely cool.

MAYORS/SPRCP

First Integrity is a member of....


 Mortgage Bankers Association of St. Louis
 Missouri Mortgage Bankers Association
 Better Business Bureau

Professional Mortgage Bankers


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