



# FOCUS

on **INTEGRITY**

Joseph F. Bayer  
*President*

Paul J. Turin, Jr.  
*Sr. Vice President*

Eve Janis  
*Sr. Vice President*

Tim Brockhaus  
*Vice President*

Geri Glixman  
*Vice President*

Matt Eversgerd  
*Asst. Vice President*

Jim Dorna  
*Business Development Manager*

Dave Mattull  
*Manager of Business  
Development and Recruiting*



#### Loan Officers:

Joe Brockhaus 591-4040

Tim Brockhaus 306-5114

Michele Darragh 280-4952

Jim Dorna 680-2200

Don Droege 420-7653

Matt Eversgerd 620-7227

Judy Horbelt 397-5839

Mike Jung 422-5841

Kate Pieroni 220-6207

Ellen Rigel 995-0890

Aprille Trupiano 363-3913

Paul Turin 460-6363

Steve Vitale 330-3195



77 West Port Plaza  
Saint Louis, MO 63146  
Office: (314) 878-7900  
Fax: (314) 878-5636  
Toll Free: 1-800-263-3959

Web site:

[www.FirstIntegrity.com](http://www.FirstIntegrity.com)

## Why It's A Great Time To Be A First-Time Homebuyer In Missouri

*by: Matt Eversgerd, Asst. Vice President*

Despite what you've been hearing on the nightly news or reading in the local papers, it's actually a great time to buy a home in St. Louis.

According to a *Forbes Magazine* article dated July 14, 2008, St. Louis ranks third on its list of "Best Cities To Buy A Home." The article states, "St. Louis is a great place to settle because it's not overbuilt and is reasonably priced relative to income. With a family-friendly culture and a steadily appreciating median home price of \$145,400, the 'Gateway to the West' is a great place to buy a home."\*

On August 4, 2008, the Missouri Housing Development Commission (MHDC) began offering a program that would allow eligible first-time homebuyers to combine a 3% second mortgage with a 97% first mortgage, thus financing 100% of the purchase price.

The second mortgage is a five-year forgivable loan at 0% interest. This is the only way to finance 100% of the purchase price in today's market. Funds are limited, so time is of the essence. For more information, visit the MHDC Web site at [www.mhdc.com/homes/firstplaceloans](http://www.mhdc.com/homes/firstplaceloans).



If you decide not to take advantage of the MHDC program, first-time homebuyers can still benefit from the Economic Recovery Act of 2008. This was signed into law by President Bush on July 30, 2008. The "act" provides a \$7,500 tax credit

for eligible first-time homebuyers. This creates additional financial incentives that can take advantage of the current market. If you would like to learn more about this tax credit, visit [www.federalhousingtaxcredit.com](http://www.federalhousingtaxcredit.com).

*\*To view the entire article, visit [www.forbes.com](http://www.forbes.com) and search "family friendly culture."*

# Why The Feds Could Not Let Fannie Mae Collapse

by: Joseph Bayer, President

I could be the poster child for groups who hate government bailouts. However, bailing out Fannie Mae was needed. Before you raise your eyebrows or let out a groan, trust me on this - they saved the value of your home.

Fannie Mae was originally created as a Government Sponsored Enterprise (GSE) designed to help standardize loans and create a marketplace where lenders who subscribe to the Fannie Mae “grading system” of loans could sell their mortgages.

The result: mortgages became commodities, and rates became affordable and available. This revolutionary concept came to the aid of would-be American homebuyers who had been previously sidelined as a result of the collapse of the Savings and Loan system. Fannie Mae became the absolute power, the rule maker and, ultimately, a tyrant.

Because of Fannie Mae’s GSE status, Congress gave the agency competitive advantages that other lenders could only dream of, like borrowing money from Uncle Sam at below-market rates. Due to such advantages and their unique position as the accepted mortgage rule maker, Fannie Mae made a lot of money. I mean lots of money.

With that money in hand, they systematically went about consolidating their power. Part of that consolidation included generous campaign donations to politicians of both stripes. In short, they gained favor from our elected politicians. Ultimately, whatever Fannie Mae wanted, Fannie Mae got.

If it were not so sad, I would laugh at the many Democratic and Republican politicians who are now pointing fingers and deflecting responsibility. Of course, their attempts to distance themselves come well after accepting tens and hundreds of thousands of dollars.



Of course, people (myself included) were screaming about abuses, but the impending problems were just ignored at the convenience of lawmakers. It was all about greed! The more power the GSE garnered, the more the prudent lending standards were bent. Unfortunately, Fannie Mae went morally bankrupt long before reaching financial bankruptcy.

So, why would I say that the government’s intervention on behalf of Fannie Mae was prudent? Because, without it, we would return to a pre-1970s form of home lending.

These are not rosy times by far, but pre-GSE times were awful. Single women of every race were not considered credit-worthy and were denied loans. A married, working-woman’s income would automatically be cut in half for loan-qualification purposes. Every lender made its own rules and would lend until the money ran out. Interest rates rose to 15%+, and there was no money to be found. This country needed a marketplace so that money for credit-worthy homebuyers would be available.

Combined with FHA loans, the GSEs virtually wiped out the vestiges of discrimination against minorities and women that were rampant in those days of the Savings and Loan system. The initial tenets of Fannie Mae created the marketplace that we have enjoyed up until recent economic turns.

Our officials need to revitalize Fannie Mae and make the program conform to those original tenets. Home ownership is not an automatic right, but an earned privilege. Home buying for purposes of speculation should not be permissible through a GSE.

And finally, oversight should not be in the control or direction of politicians who are permitted to accept political donations.

## From Lemons to LEMONADE

### Lemons:

Many St. Louis borrowers today are receiving substandard service. Too many national and regional banks, as well as mortgage companies, have sent their entire processing, closing and underwriting departments to other cities. Still others have closed their St. Louis operations entirely. This has hurt not only local buyers, but also individual loan officers. These professionals are left without the means to serve their valuable clients.

### Lemonade:

Many of these high-quality lenders have found a better business address by joining the unique, secure working environment that First Integrity offers. As a result, First Integrity is pleased to announce that one of these skilled professionals has joined our successful team as Vice President. Tim Brockhaus is taking the helm of the newly-formed Unit 2 as its Sales Manager. Tim has 17 years of mortgage banking experience in St. Louis, including ten successful



years of managing loan officers. His expertise and history of exemplary service will be a tremendous asset to our organization, as well as the clients we serve. Tim and his wife Danielle have four children.

## Making Credit Union Connections

At First Integrity Mortgage Services, our goal is to develop long-term relationships with our clients by delivering the services that make us the lender of choice for value-minded customers. In keeping with this goal, we also strive to work with other businesses who value service and decency within the community. That is why we have partnered with many credit unions in the area to provide the very best in mortgage services.

“Our focus is consistent with our credit unions,” says First Integrity President Joseph Bayer. “I believe in these relationships because of one thing – exceptional service.”

So where do these credit unions factor in to First Integrity’s services? Credit unions offer competitive rates and have assisted First Integrity in the creation of PowerPlus Piggyback Loans. Our credit union relationships also allow us to offer Home Equity Loans to our clients.

Don’t belong to a credit union? Call us, and we will help you determine which credit union is right for you. First Integrity currently partners with these credit unions to help our clients get the best loan possible:

- Arsenal Credit Union
- Electro Savings Credit Union
- First Missouri Credit Union
- Gateway Regional Credit Union
- Health Care Family Credit Union
- Missouri Valley Credit Union
- Neighbors Credit Union
- Rolla Federal Credit Union

At First Integrity, we aim to be the best in the mortgage industry. Through our connections with these credit unions, we are able to further that goal with expanded services and financial options.



We chose to work with credit unions because, just like First Integrity, these financial institutions boast a unique structure. Rather than answering to stockholders and existing to make a profit, credit unions are owned by their members, and any profit they make is returned to those members. Because of this distinct difference, credit unions are able to offer better quality service and significantly better rates – a definite advantage for our clients.

## 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](http://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!*

#### Steamy Fall Clam Chowder

by Marie Gianoulakis

- 3 tablespoons butter
- 5 slices bacon, diced
- 2 stalks celery, diced
- 1 onion, diced
- Roux or thickening substitute
- 4 cups cubed potatoes
- 3 (8 ounce) jars clam juice
- 1 quart half-and-half cream
- 5 (6 ounce) cans minced clams, rinsed and drained
- ground pepper, to taste
- 1 1/2 teaspoon salt
- 1 carrot, quartered and diced
- 1 ounce cooking sherry
- 1/2 teaspoon minced garlic
- Sprinkle dried crushed red pepper

1. In a medium skillet over medium heat, cook the butter, bacon, celery and onion until onion is translucent. Remove from heat and set aside.
2. In a separate pot, cook potatoes in clam juice until tender (about 15 min.). Add butter, celery, onion and bacon to the pot. Pour in half-and-half, then add pepper, salt, sherry, carrot, garlic and crushed red pepper. Stir constantly at low heat – be careful not to scald. Add roux to near-desired thickness. Add clams, reduce heat and simmer 30 minutes.
3. Season with additional salt and pepper to taste.  
Soup can be frozen.

00308672W R0P

First Integrity is a member of...



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

*Professional Mortgage Bankers*  
**First Integrity**  
Mortgage Services



[www.FirstIntegrity.com](http://www.FirstIntegrity.com)

77 West Port Plaza, Suite 200  
St. Louis, MO 63146  
ph: 314.878.7900  
fx: 314.878.5636

PRSR TST  
US POSTAGE  
PAID  
ST LOUIS MO  
PERMIT NO 175