

# Buyer's Market or Seller's Market? Which is it?

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Actually, it is neither. The truth is it is actually a lender's market! It is also true that to a degree it has been a buyer's market for most of the country. This occurs when the supply of homes for sale exceeds demand, creating a situation where homes take longer to sell and where prices become more negotiable in favor of the buyer. There is a new phenomenon in today's real estate market. This phenomenon is affecting today's buyers, especially those buyers who are highly motivated, wanting to take advantage of today's lower home prices and today's low interest rates. What home buyers are discovering is that the **biggest obstacle** to purchasing their new home is the **lender!** It is no longer the case where a buyer can simply pick from a long list of homes that fits their needs. Now, it is more important than ever that the buyer has their financing prearranged. Clearly the momentum has shifted and today lenders are making it more difficult for buyers to borrow money. Underwriting guidelines are not just set by the secondary market but now are dictated by company policy.

A perfect example of this phenomenon is experienced by today's real estate investor. Back in 2008, when the financial market started its meltdown, banks and mortgage companies pulled many products from the market. Sub-prime mortgages quickly disappeared. Fannie Mae (FNMA) introduced stricter underwriting guidelines. One of the guidelines that affected investors the most was the reduction in the number of mortgaged properties from 10 to 4. As the markets stabilized, the guidelines were changed again. Fannie Mae announced that it was going back to the 10 property maximum. Despite this change by FNMA, most lenders want no part of this new guideline. As a result, most of the industry is **refusing** to make loans to investors who can meet all of the FNMA guidelines. These lenders have established their own guidelines and have decided not to loan money to certain borrowers. No matter how qualified the borrower and how good the property is, the two are unable to get together simply because the lender is not going to do the loan.

This is just one case where you can see that we are in a lender's market.

Without the right financing programs and access to the right lender with products to service the buyer's needs, the purchase **cannot** occur. Fortunately, there is a solution to this particular problem! I have located one of those **very rare lenders** who is following the FNMA guidelines and will make loans to this group of investors. So if you're a real estate investor who already owns 4 mortgaged properties, you now have an option for owning up to 10 mortgaged properties. For more information about this program, please email me at [Kevin@kevinmcvicker.com](mailto:Kevin@kevinmcvicker.com) !

Watch for future announcements with solutions to other financing challenges facing today's home buyers!

For Yee Network investors who wish to proceed with a real estate action plan, please contact Seewing Yee for a complimentary consultation at his office in Fremont at (510) 552-0726, email: [seewingyee@seewingyeeseminars.com](mailto:seewingyee@seewingyeeseminars.com)