

Community Banks Generate \$1.4 billion in Loan Volume During January and February 2009

During January and February of 2009, community banks that sold loans through ICBA Mortgage's secondary lending program with Taylor, Bean & Whitaker generated \$1.4 billion in closed loan volume. This substantial increase over the same period last year indicates that despite a challenging marketplace, community bank customers are still buying and refinancing homes.

Driving this trend are rock-bottom interest rates and the new realization that big isn't always better. Americans are, by and large, disgusted with Wall Street and are moving their money and their trust to local, community-centric businesses.

For the community bank that is looking to step in and take advantage of the market's new opportunities and dynamics, ICBA Mortgage has the products and expertise needed. Programs with Fannie Mae and Freddie Macsm allow community lenders to sell direct (and receive preferential pricing) or fund their loans via ICBA Mortgage's partner Taylor, Bean & Whitaker. No matter what your mortgage need, ICBA Mortgage has a profitable solution for you. For more information visit us on the Web or call Elizabeth Deal at (800) 253-5356.

Weed Out Misconceptions

Keep Seniors Growing With Reverse Mortgages



Despite the drought of credit in our economy, the number of reverse mortgage loans originated last year ended with an increase over the year before. The Department of Housing and Urban Development (HUD) released data that shows on a calendar year basis, the number of federally insured Home Equity Conversion (HECMs) closed in 2008 increased by 6.4 percent to 115,176 loans.

The reverse mortgage provides a way for a senior, 65 years or older, to convert a lifetime of home equity savings into cash. A reverse mortgage is a loan secured by a home that does not have to be repaid until the senior sells their home, moves out of the home permanently or dies.

The HECM is an insured program, and therefore never leaves the senior

or her heirs owing more on the reverse mortgage than the home is worth. The program provides flexible payment options and counseling services to ensure the senior understands the program. Newly enacted changes to the original HECM program include higher loan limits, lower origination and closing fees, purchase and refinance provisions, and financing for co-op's and manufactured housing set up as a condo community.

The main reasons seniors apply for a reverse mortgage are to:

1. Pay everyday expenses and remain independent
2. Improve quality of life
3. More money for emergencies or other unexpected expenses
4. Complete home repairs and/or improvements
5. Keep up with increasing property taxes and homeowners' insurance

Today's reverse mortgage program is now a mainstream financial tool, which matches the needs of today's senior market. It is a product that helps community banks serve their senior community and increase fee income. ■

ON THE WEB: www.icbamortgage.com

CALL US: (800) 253-5356

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