

the Mortgage Bulletin

Week of July 7th, 2008

Sample Company Name
100 Main Street
Hometown, CA 00000
Phone: 123-456-7891
Cell: 456-789-1234
Fax: 789-1011-1213
pnewman@samplecompany.com
www.pnewman.com



Paul Newman
Actor

Your Logo Goes Here

"People are always blaming their circumstances for what they are. I don't believe in circumstances. The people who get on in this world are the people who get up and look for the circumstances they want, and if they can't find them, make them."

- George Bernard Shaw



Robert Redford
Ranch Specialist



Windmill Realty
1234 Redford Ranch Road
Mountain City, Montana 00000
Phone: 111-222-3333
Cell: 111-222-4444
Fax: 111-222-5555
redford@wreality.com

Don't ignore Realtor recommendations

What follows is an email message sent by a Realtor (to his preferred loan consultant) after the closing of a purchase transaction in which his client selected his own lender (his own bank) because they quoted a lower rate than quoted by the loan consultant the Realtor had recommended. Only the names have been changed.

"Just a note, the (Borrowers) ended up seriously regretting going with (Unnamed Bank). It was hell on me too. There was ZERO communication ... they required everything from the contracts to timing to come directly from the (Borrowers) and refused to take or acknowledge anything from me. They said they have an internal policy not to communicate with realtors.

They sat on the loan for almost 10 days without doing anything. It took me about 50 calls .. no kidding .. and dozens of emails to even get an email back. I ended up getting several managers and a VP's email, and started CC everyone. By day 25, we had a 1/2 decent communication flow.

As well, they 'screwed' over the (Borrowers) because they did not keep them abreast of rates or rate locks and after waiting almost until the COE, the 'new' rate was well over 1.25 point higher than the pre-approval. (Unnamed Bank) stated explicitly, that they take ZERO responsibility to inform a client when to lock rates. It's up to the client to follow the rate market and contact (Unnamed Bank). The (Borrowers) actually didn't qualify and the higher rate, and (Unnamed Bank) slammed them into a short term loan.

To compound everything, the loan was process out of (a different state).

We did get it closed, but it was late, needlessly stressful, and almost didn't

happen.

I tried not to do too much 'I told ya so' ing to them, but I did reiterate that none of this grief would have happened with (you).

fyi ...
(Realtor)"

As mentioned, the bank quoted a lower rate than the recommended loan consultant and since it was the client's bank, the client believed he had a "relationship." And the bank is a big bank, with branch offices in most towns across the country. It is totally understandable, therefore that the client went with their bank for a lower rate and because he had a relationship. Why not?

The Realtor's email explains why not. It's a sad story.

This illustrates the importance of dealing with a loan consultant who has established a reputation for keeping promises (like quoted rates), giving sound advice, acting on the client's behalf, and making sure the client is taken care of.

Clearly the loan officer in this instance was either not interested in the client or was incompetent, or both. He was concerned only with himself and the bank – his employer. This caused the client and the Realtor to suffer.

It can be difficult for a Realtor "guide" the client to their preferred loan consultant because that decision is, of course, up to the client. But this real life case should serve as a warning to buyers.

If you trust your Realtor (and you shouldn't be using him or her if you don't) listen hard to their recommendation of whom to use for financing. Your Realtor can save you lots of grief because they know who will take great care of you.



Your Company Name is a mortgage broker licensed by the State Department of Real Estate, license 888-999-22. Rates posted are for zero points, thirty day lock, purchase loans and are subject to change without notice.