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# DeFranco Real Estate Corp. Newsletter

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For Use by Professional Mortgage Investors Only

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For Fast Private Commercial Loans, Call Carl at 716-990-3228

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## A Few Words from Carl

Our company finds itself in an unusual position. Word has gotten out about reliability of our “mortgages as investments” products. Not to beat the subject to death, but we regularly receive calls thanking us for our dedication to doing the right thing for our investors. It’s not always easy or pretty, but investors can rest assured that we work for them – and it shows.

-This creates a dilemma.-

We have more mortgage investors wanting to take advantage of our products than good mortgage opportunities to put them into.

We have studied long and hard to close this gap. Our first order of business was to determine what we **WON’T** do. We **won’t** compromise the system that we built. After all, that system has led us to the level of success that brought us to this juncture. Yes, it is true that we only wind up putting files together on about 25% of the requests we receive. Of those, about 1/3<sup>rd</sup> get eliminated for some reason or another before closing. Yes, we may be on the conservative side, but remember that we work for the **investor**.

It has been an increasing practice on the part of servicing companies, nationwide, to relax their standards. On this point, I say that if we compromise on bringing borrowers to the table, it will lead to compromise in payment receipts. As you know, our income is based on payments to our investors.

Fast, commercial loans are still hard to come by out in the market. Borrowers with better qualifications are increasingly calling us. We are losing them to other private guys who are recognizing the reduced risk and offering them lower interest deals.

Our solution to all of this is to create a new product. It will go out at 13% to the borrower and pay the investor 10%.

Individual investors will always retain the option to choose which of our products we offer a borrower on their behalf.

So, to all investors who have been waiting for us to contact you with deals, this should loosen things up a bit and hopefully get some of that stagnating money to work.

As always, I invite comments/questions from our investors, and investors-to-be, on this or any other subject.

## Chemist’s Observations

A physicist, a biologist, and a chemist were going to the ocean for the first time.

The physicist saw the ocean and was fascinated by the waves. He said he wanted to do some research on the fluid dynamics of the waves and walked into the ocean. Obviously he was drowned and never returned.

The biologist said he wanted to do research on the flora and fauna inside the ocean and walked inside the ocean. He too, never returned.

The chemist waited for a long time and afterwards, wrote the observation, “The physicist and the biologist are soluble in ocean water.”

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It’s almost summer! Time to break out the sun screen and open up the pools!

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Don’t forget that we are a full service real estate brokerage. We can market any real estate.

**Carl F. DeFranco**  
**Real Estate Corp.**  
**716-990-3228**  
**Fast Private Commercial**  
**Loans**

www.defrancorealestate.com