

JAMES A. GRAASKAMP COLLECTION OF TEACHING MATERIALS

V. INDUSTRY SEMINARS AND SPEECHES - SHORT TERM

I. Other Presentations In Which Either The Date And /  
Or Sponsoring Organization Is Missing

6. Real Estate Finance/Mortgage Banking/Mortgage  
Guaranty Insurance

s. "Alternatives to Adjustable Rate  
Mortgages", no date

## ALTERNATIVES TO ADJUSTABLE RATE MORTGAGES

- A. Random liquidation of mortgage balance within ten years.
  - 1. No pre-payment penalty
  - 2. Half life due to re-sale.
  - 3. No assumption or assignment
  - 4. Automatic acceleration for additional liens
  - 5. Failure to provide interest on escrows
  - 6. Optional call in the event of any delinquency
  - 7. No open end provision for remodeling, etc.
  
- B. Lender or contract calls.
  - 1. Canadian roll-over: three to five year notes.
  - 2. Seven-year Call Rider option
  - 3. Escrow of points
  - 4. Shared appreciation mortgages and refinancing.
  - 5. Separate financing of down-payment with short-term consumer loan and conservative mortgage loan.
  
- C. Changing FHA, VA, & PMI programs to improve net yield after premium and losses.
  
- D. Use of fixed rate mortgages to earn variable fees for credit enhancement.