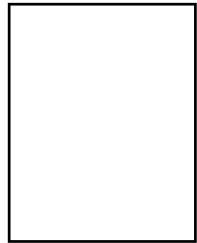


An Informational Newsletter produced and designed solely by
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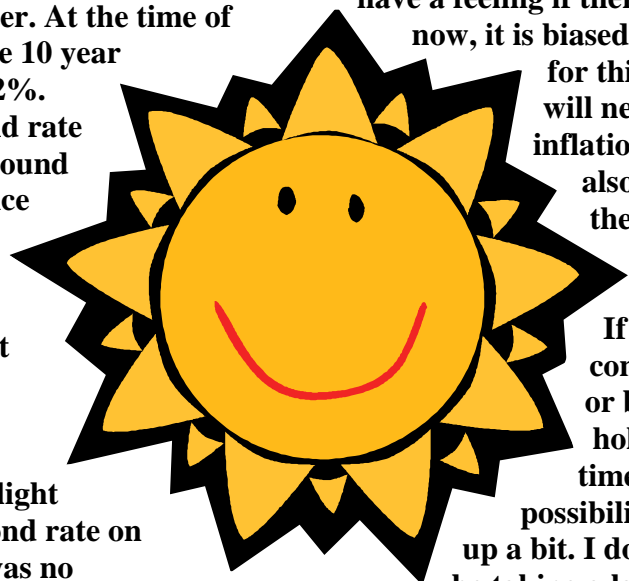
Market and Economic News

Rates have been stable, but some signs of some creeping up.....

with a global economy the US bond rates may have to go up if Japan's do to stay competitive. We will be keeping an eye on this....

Bond and Mortgage rates have been pretty stable for the last few months...On page four of the newsletter only two rates needed changing from the February newsletter. At the time of that newsletter, the 10 year bond rate was 4.82%. Since then the bond rate dipped down to around 4.50%, but has since gone back over 4.8%...A lot of this movement has been in the last couple weeks.

Mortgage rates are still at attractive levels. They are currently about .25% higher than the lowest area in the last few months. Is this a trend? I am not sure yet, but based on concerns mentioned (global, increases without economic reports...) I have a feeling if there were a trend right now, it is biased towards up...I think for this to be reversed we will need to see some low inflationary reports, and also further news that the economy is slow.



There have been slight increases in the bond rate on days when there was no economic news. This is a little concerning as this would seem to say with no other factors, rates want to go up. We will see in the next week or so as some large economic reports come out (Consumer Confidence, Unemployment etc..).

If you have been considering refinancing or buying, but been holding off, it may be a time to look now with the possibility of rates creeping up a bit. I do not think rates will be taking a large jump up, but even just a .125 movement in rate means almost \$400 more per year on a loan of \$300,000.

Today, Japan announced that their unemployment rate hit a 9 year low. It is expected that their bond rates may go up based on inflationary concerns. Dealing

If you have any questions in regards to your specific situation and if a loan scenario may benefit you, please call or e-mail me. I have no problem telling you that you are perfect where you are.

Who should consider looking at refinancing today....

With rates currently stable but with a possibility of an upward creep, there are several groups of borrowers who may want to consider the option of refinancing today. I have covered this before, but it warrants a revisit at this time...

- Anyone who did a **monthly adjustable (aka pay option, neg am...)** in the last few years...These are loans that have a small initial rate which establishes a minimum payment. The real rate is based on an index (Libor, Treasury, COFI, COSI, etc.) + a margin. With the increase in short term rates, some of these indexes have significantly increased with some having fully indexed rates over 8.50%. For some, this has significantly increased the possible negative (loan can grow) each month. It also has sped up the possibility of a recast (lender revising payment structure once loan hits a certain percentage—i.e. 110% of the original balance)...Today most 30 year fixed rate loans are 2% + under many fully indexed monthly adjustables. Lots of borrowers are refinancing into a 30 year fixed with an interest only option.
- Sub Prime loans—If you did a “sub prime” loan in the last couple years, it could be time to be looking into a refinance. Sub-prime loans are generally for those that do not meet the standard borrower guidelines of the “A” lenders. Many sub-prime loans are fixed for just 2-3 years and then convert to a potentially very high adjustable. Some borrowers are at a better credit grade after a year or two into their sub-prime loan and can look at a more conventional loan. If still in the “sub-prime” status, there may be better options to look at.
- Intermediates nearing their end—There have been a lot of Intermediate (3/1, 5/1, 7/1 or 10/1) loans done in the last several years. This made a lot of sense due to the spread between these and a 30 year fixed could have been over 1%. Today the

spread is generally .25% or less. When these loans reach the end of their fixed period, the new rate can be very high depending on the terms. If you are close to this period (1-2 years out), it could make a lot of sense to look at redoing this loan.

Stacey's Corner

Vietnamese Noodles with Prawns & Scallops

2 Tbls	Fresh Ginger
3 cloves	Garlic
½ cup	Mint Leaves
½ cup	Cilantro
3 Tbls	Fish Sauce
2 Tbls	Honey
1	Lime, Juiced
¼ Tsp	Pepper

Purify in blender or food processor. Set aside.

½ lb	Vermicelli Pasta
½ cup	Cabbage, thinly sliced
½ cup	Carrots, julienned

Cook pasta according to package directions. Add cabbage & carrots the last minute of cooking. Rinse under cold water and toss with the sauce in a serving bowl.

8	Sea Scallops
8	Jumbo Prawns, shelled & deveined
1 Tbls	Olive Oil
½ Tsp	Salt
¼ cup	Chopped Peanuts (optional)

Heat a large fry pan over HIGH heat. Mix the scallops, prawns, oil & salt. Add scallops and prawns evenly in pan. (Do not crowd the pan- you may need to cook them in a few batches) Cook 2 minutes per side. Toss scallops and prawns into the pasta mixture. Sprinkle with peanuts and enjoy!!
-**Note: I am allergic to Peanuts and it is suggested that a good substitute would be Cashews...**

*** Stacey Bruno is my Loan Processor (An extremely important part of getting your loan done right and in a timely manner!!) She takes a lot of care in making sure your loan is handled correctly from start to finish. In her free time, she enjoys being creative in the Kitchen.**

Many 100% Financing Options still Available

**These can be done with low credit scores; stated income; with Interest Only options and for investment and second homes.
Creates opportunities for many Home Buyers**

- Large Line of Credit—Several

years ago the Prime rate was around 4%....It is now 8.25%. Many borrowers took advantage of the "cheap" money, getting large lines of credit to consolidate debt etc..With Prime now almost 2% over most fixed options. It makes sense to look at consolidating. Even if you have a fixed rate loan in the low 5's, the overall rate you are paying could be upwards of 7% depending on the balance and rate of the Line of Credit.

- Debt consolidation, college etc.— Expenses that made sense to do on a Line of Credit might make more sense to do on a new first due to high rates on Lines (see above)
- Current fixed rate loan at 6.75% or higher—With many current fixed rate options available in the low 6's, it could make sense to look at this, depending on anticipated time in property etc...

These are several groups who should look at the current mortgage possibilities. I would be happy to look at your situation and run some numbers...

Again, I have no problem telling you that you are perfectly fine where you are....

An Update on me...

When I am not wearing my Mortgage Broker hat, I have a couple others I wear.....

I am in my second year as President of the Board of Directors of COTS in Petaluma. This is an organization that helps homeless families and individuals get back on their feet . It has been an exciting opportunity and it has been fun to see the progress many of our clients have made...For

Check out my Website at
WWW.JUPE.COM
Info on mortgages and some other things I do and get involved with..
Please check it out

info you can go to www.cots-homeless.org

On Saturdays I run the Junior Racquetball program at Petaluma Valley Athletic Club. I am also on the California State Racquetball Association Board of

<i>Interest Rate Indexes as of May 8, 2007</i>	
11th District Cost of Funds	4.290
Prime(current)	8.250
12 Month MTA	5.029
1 Month LIBOR	5.320
10 Year Treasury(current)	4.870

Directors as the Junior Director...In June I will be going to Arizona for the Junior National championships, representing California and also to help coach one of our Petaluma players, Sawyer Lloyd, who will be playing there....I also play sometimes as well...For

Conforming Loan Sizes	
• 1-family loans:	\$ 417,000
• 2-family loans:	\$ 533,850
• 3-family loans:	\$ 645,300
• 4-family loans:	\$ 801,650

information on California Racquetball etc...
www.californiaracquetball.org,
 or check out my Racquetball section at WWW.JUPE.COM...

Referrals Please....Always appreciated!!

If you know anyone looking to: Purchase a home; Refinance for lower rates, Consolidate debt, Better cash flow, Make home improvements, Fund college, Purchase an Investment Etc...

*Please have them give me a call or send me an e-mail
 (If you received this via e-mail, please forward this to friends and family)*

Current Sampling of Rates and Loan Programs

A sampling of Fixed Rate Loan Programs

Program	Rate	Max Loan	APR
30 Yr	6.000	\$417,000	6.128
15 yr	5.750	\$417,000	5.911
7/1	5.875	\$417,000	5.998
5/1	5.750	\$417,000	5.908
30 yr	6.250	\$500,000+	6.376
15 yr	5.875	\$500,000+	5.986
10/1	6.125	\$500,000+	6.255
7/1	5.875	\$500,000+	6.023
5/1	5.625	\$500,000+	5.789
3/1	5.375	\$500,000+	5.541

All rates quoted above are at 1 point. Loans are available with higher/lower points. Rates effective May 22, 2007. Please Call.

Adjustable and Other Programs:

- ◆ **NO Document Loans**
- (no job/income/asset)
- ◆ **Interest Only Loans**
- ◆ **Purchases/refinances up to 100%+!!**
- ◆ **Adjustables with payment rates as low as .25%**
- ◆ **Rental property loans with low down**
- ◆ **B-C, "Hard Money" loans available (Tough properties, Poor credit, etc.)**
- ◆ **Lines of credit with No Lender Fees**
- ◆ **Hybrid adjustables**
- ◆ **Many other programs available.....**
- ◆ **Call for your specific needs!**

Many options are available. First Security Loan represents various lenders and loan programs. The above is just a sampling of what is available. Please give me a call for your specific case. We can do loans with higher points for a lower interest rate, or loans with a higher rate and lower costs. We can do Excellent credit to Poor credit. We can do loans on your primary residence or your rental. We can do loans on houses, condos, apartments, commercial buildings, etc. **Rates do change daily, call for current rates.**

Return Service Requested

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