

REAL ESTATE

Working With the Mortgage Crisis

NewsUSA

(NU) - For many Americans, good credit isn't here to stay – rising costs are putting many formerly well-to-do homeowners behind on their mortgage payments.

In April 2008, delinquencies on prime loans, a \$12 million dollar market, doubled. And the economy doesn't look to have an upswing anytime soon. Home prices continue to drop. In July, the unemployment rate reached a four-year high. Homeowners face higher bills but make less money.

Adjustable mortgages, which were appealing when property values were on the increase and interest rates were low, now mire many Americans in financial danger zones. Some borrowers will see their interest and principal payments more than double even as their homes lose value. Many homeowners will not be able to cover their debts even if they sell their homes.

At the same time, banks feel more reluctant to approve or refinance loans. In this environment, default and bankruptcy rates look likely to increase. Between April and July, California alone reported 121,000 notices of default on loans.

Some companies are looking to navigate the down housing market, not only to turn a profit, but also to help homeowners recover their homes. For example, Deer Park Development Corporation, a Nevada-based company, buys foreclosed homes in Arizona, Nevada, California and Florida.



Rising prices, depreciating property values and stagnant salaries are forcing many American homeowners to sell their homes.

With over 35 years of experience in real estate, the corporation's brokers and agents know how to identify the homes that will turn a profit.

When the company finds a promising home, it works with the homeowner or bank to purchase the home at a 50 percent discount. The company negotiates with homeowners so that people can rent their homes after the sale. When the lease expires, Deer Park Development Corporation allows former homeowners to repurchase their properties at a predetermined price.

Currently, the company is searching for investors looking to profit from the down housing market. For more information, visit deerparkdevelopmentcorp.com.