



Sign in to nj.com »
Not a member? Register Now »

Site Search Local Business Listings

Search by keyword, town name, Web ID and more...

Go

Home News Weather Sports Entertainment Living Interact Jobs Autos Real Estate Classifieds Shop Place an ad

News Business Columns Education Forums National Obituaries Opinion Politics Star-Ledger Weird news More news

## **New Jersey Business News**

Latest local and international economic news, market & financial reports

### BUSINESS with The Star-Ledger

- Business Home
- Hire Me
- NJ Real Estate News
- Jersey by the Numbers
- Tax Tips

#### Browse by month:

Select a date

GO►

### YOUR BUSINESS

#### Hire Me

You need a job. We want to help.

- <u>Presentation must</u> <u>match job candidate?s</u> <u>skills</u> 5:30 a.m. ET
- Video profile service preps candidates for a 60-second pitch 5:30 a.m. ET

<u>HIRE ME</u> »

#### ADVERTISEMENT

- Want custom curtains look for less? Try everyday low prices at Marburn
- Jersey Shore Premium Outlets -120 Designer and Name-Brand Outlets
- <u>Sweeney Landscape Come</u> <u>Home to Harmony</u>
- A comprehensive breast center offering proactive care for all women.

#### Real estate »

## Federal Housing Administration now a growing player in the condo market

By Lisa Fleisher/Statehouse Bureau October 02, 2009, 7:00AM



PHOTOS BY SAED HINDASH/THE STAR-LEDGER

O'Ryan Goring and his fiancée, Sarai Jones, unpack belongings as they move into their Ewing condo last weekend. The couple used Federal Housing Administration financing to buy the condo.

O'Ryan Goring and his fiancée, Sarai Jones, fell in love with a castle-like Pennsylvania estate called Cairnwood as the perfect setting for their marriage. But they also fell in love with a condo in Ewing that would be the perfect starter home for the first-time homebuyers.

Using traditional mortgage products, they wouldn't be able to have both, because they would have had to put \$40,000 down to buy the condo. Lucky for them, the condo development, the Jefferson, had just received approval from the Federal Housing Administration — a prerequisite for buyers who want to use the government-insured financing program. The FHA program asked for just  $3.5\ percent down — or $7,000.$ 

"All the money we saved, we've just transferred it over to the wedding," Goring said.

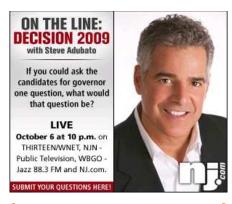
A surge of New Jersey condo properties have been approved this year by the FHA as developers try to reach as many potential buyers as possible in a slow market. With loan standards higher than they have been in years, buyers in droves have been turning to the FHA.

"It's become almost a functional necessity," said Michael Borodinsky, a manager with MetLife Home Loans. In 2008, 21 percent of all residential loans were insured by the FHA, up from less than 5 percent in 2005 and 2006, the Federal Reserve said Wednesday.

But critics of the program worry that defaults and foreclosures — more common and problematic in the condo market — will force a taxpayer bailout of an overburdened FHA.

"FHA is pretty much the loosest underwriting in the game right now," said Mark Calabria, director of financial regulation studies at the Cato Institute, a Washington-based think tank. "It's definitely something we should be worried about."

1 of 3 10/2/2009 9:53 AM



Got something to say? »

We have new ways to discover & interact Check out new community tools on NJ.com!

Learn about new features | Read FAQs

Existing user? Sign in to view & edit profile

New user? Register now for free in seconds!



# Post Free Classifieds | Print or on NJ.com

#### BUSINESS FORUM Business

- Business Websites by jefflane 09/29/2009 8:38 p.m. ET
- women will be choose... by handbagscn 09/27/2009 10:38 p.m. ET
- Personalized Initial... by jack2009 09/25/2009 11:27 p.m. ET

MORE FORUMS »







Site Search Local Business Listings

Site Map | Advertise | Contact

Make us your home page

Search by keyword, town name, Web ID and more...

Go

Home | News | Weather | Sports | Entertainment | Living | Interact | Jobs | Autos | Real Estate | Classifieds | Shopping | Place an Ad

Your Photos

• Post a Job

Business

Subscribe to our content (RSS)

2 of 3 10/2/2009 9:53 AM

- Your Videos
- Blogs
- Forums
- NJ Shore
- NJ Weddings
- Post a Free Classified Ad
- Sell Your Car
- Sell/Rent Your Home
- Claim Your Business
- Apartments & Rentals
  - **Listing for Free**
- High School Sports
- NJ Lottery
- New Jersey Politics
- Obituaries Pets
  - NJ.com mobile site

\* SUBSCRIBE -- Special home delivery offers!

Sign up for news alerts

> NJ.com Twitter feed

☐ Ledger Live vodcast

© 2009 New Jersey On-Line LLC. All Rights

Reserved. Use of this site constitutes acceptance of our

User Agreement. Please read our Privacy Policy. Community Rules apply to all content you upload or otherwise submit to this site. Contact interactivity management.

The Star-Ledger | The Times, Trenton | The Jersey Journal | Gloucester Co. Times The News of Cumberland County | Today's Sunbeam

3 of 3 10/2/2009 9:53 AM