ECONOMIC MELTDOWN FUNNIES

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PREDATORY LENDING

As the demand for housing profits outstripped the actual value of housing, pressure mounted to increase the volume of loans by relaxing sensible standards in the mortgage industry.

Eventually there was $10 trillion in debt backed by only $1 trillion in real estate.

This lady is a registered nurse. She wants to borrow $800,000. Do you think she’s good for it?

She may very well be.

(That’s good enough for me.)

Predatory lending — once a disreputable sideshow in the mortgage business — increasingly became the norm.

When we ask people how much they make & promise not to verify their income, we’re kind of begging them to lie to us, right?

Right.

So why do we do it?

Everybody does it.

You don’t mind making fifty grand a month in commissions, do you?