

**BUSINESS AND ACCOUNTING DEPUTY CHAIR IS PRESENTER AND
MODERATOR AT DISCUSSION PANEL TITLED,
“HOW TO BE PREPARED WHEN THE BANKS START LENDING”**

Kenneth S. Dreifus, deputy chair of the Department of Business and Accounting at the New York School of Career and Applied Studies, was both a presenter and a moderator at a recent discussion panel titled, “How to Be Prepared for When the Banks Start Lending,” at the Crittenden National Real Estate Finance Conference held in Miami Beach, FL.



Dreifus, who is also a principal at Dreifus Realty-Funding, LLC, warned that following one of the worst recessions in recent U.S. history, lenders will be cautious and conservative when it comes to loaning money for new real estate credits. “The remaining bank capital allocated for lending will be rationed,” he said. “Until bank ratios and capital improve, loan-to-value ratios will tend to be lower than in previous years.”

He also cautioned that the gap between rich and poor is likely to widen in the years to come. “Fewer higher-paid manufacturing jobs will force more non-college educated buyers into lower paid service positions,” Dreifus said. “Coupled with the death of limited- and no-documentation mortgages, fewer families will qualify for home mortgages unless less expensive homes are built.”

Among his suggestions, Dreifus recommended that real estate developers:

- look at economically depressed areas that have an abundance of vacant land;
- consider the modification of local zoning regulations to permit the construction of units to which additional modules can be added to accommodate the growing number of families multi-generational families that wish to live together;
- re-think the development of new office buildings and retail centers since there is a surplus of them and lenders are looking at them circumspectly; and
- plan on building smaller, more energy-efficient homes with a lower cost per square foot that will be easier to sell.