

## SOUTH FLORIDA ECONOMY Ripple effects on `Main Street'

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Credit could get tighter in coming days, more banks could fail, and jobs may be lost in South Florida, if the economic scenario unfolds as many fear after ( plan.

The region has a lot at stake, with South Florida's economy, especially its housing market, already suffering more than many other areas.

The bailout's defeat -- at least in its current form -- could mean banks will have even less money to lend and less willingness to lend it.

That's because banks, bogged down by bad loans, lack both the capital and the confidence to lend to one another and to customers. That could mean few put further downward pressure on home prices.

Do we have to have people selling pencils and apples on street corners before they recognize the problem? said Mark F. Raymond, managing partner of employees who live paycheck to paycheck. Our representatives need to understand the business community cannot suffer these constant tremors. It dest

The credit crisis already has spread beyond residential real estate car loans have gotten much tougher to obtain and even Visa and MasterCard credit ac

It's going to have a ripple effect, said Krishnan Dandapani, a finance professor at Florida International University.

The credit crisis started in the real-estate market, when lenders loaned too much money to too many people who couldn't repay. And real estate remains t

Last month, some 30 percent of sales handled by Esslinger-Wooten-Maxwell Realtors were for cash, president Ron Shuffield said. That's double the norm

It's partly a sign that falling real-estate prices are attracting out-of-town investors with cash to spend, but also reflects the tight credit situation, Shuffield sai

Longtime mortgage broker Javier M. Noriega said lately lenders have been steadily tightening rules even for people with medium to strong credit. They w: which many customers just don't have.

Without the bailout, things could just get worse, he said.

Right now, what I am getting is nothing, said Noriega, vice president of First Southeast Mortgage in Hollywood. I just don't see the light at the end of the tur would at least alleviate some of the problem.

Lenders also are turning away prospective car buyers with decent credit. The credit crunch has become the No. 1 problem for customers of Fort Lauderda: He is hoping Congress tries again.

They're going to have to come back and look at this and do something, he said. This is not just affecting Wall Street, it's affecting Main Street. How can it l buy? It's not good for anybody.

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