



# Financial *focus*

ADDRESSING THE NEEDS OF HOMEOWNERS AND REAL ESTATE INVESTORS TO HELP MAXIMIZE REAL ESTATE INVESTMENT AND EQUITY.

## Let's Crunch Some Numbers, Mortgage Rates are at Historic Lows

### *Low Rates, Low Payments, Better Debt, Financial Relief*

For those ready or thinking about buying, there may not be a better time than right now. Interest Rates are low, home prices are low and now the tax credit has been expanded for not only First-Time Home Buyers but for those already owning homes.

Everyone is just sick of all of the bad news. The mortgage and housing markets have really received a bad reputation over the errors and greed from Wall Street. Wall Street kept buying risky mortgage backed securities because home values were continuing to rise. This appreciation was hiding the delinquencies and defaults, even though they were raking in the

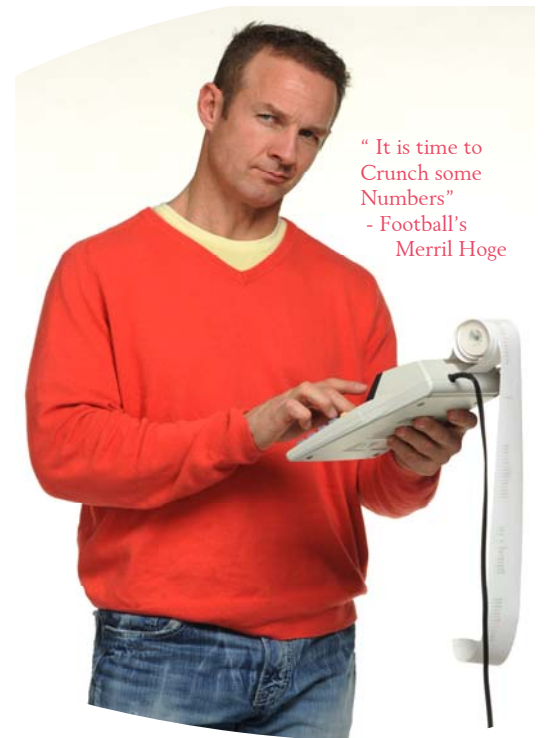
**"The Downward Pressure of the Stock Market has forced additional funds into the Bond Market. This flow has driven mortgage rates to historic lows. Low interest rates will assist the economy by allowing many consumers to restructure debt."**

- Economist K. Bauer

money. Then a couple of natural disasters happened and the housing bubble still continues to burst in certain high priced markets. Suddenly the housing market was quickly turned upside down, with many Americans in trouble, and with no options.

The good news is Consumers who want to buy a home or refinance, still have many options and all with really low fixed rates.

It is time to call for a Free Loan Quote to look at some options to save some money since these rates will not last for long.



**"It is time to Crunch some Numbers"**  
- Football's  
Merril Hoge



## Tax Credit has been Expanded and Extended

A Tax Credit has been expanded to not only cover First-Time Homebuyers (up to \$8,000) but to include those individuals who are purchasing a principal residence (up to \$6,500). The time period has been extended to be under contract by April 30, 2010.

Unlike the tax credit enacted in 2008, the new credit does not have to be repaid. This tax credit is paid in addition to any standard tax refund obtained by the Buyers. Please call one of our Loan Officers for details and qualifications.



## MARKET WATCH: Is there a Way Out?

The financial markets are agitated and need some direction. Even though the country has been through 27 individual recessions, our current recession feels terrible because we are living it. Many economists are starting to comment that this market correction is starting to stabilize. And finally there are some signs of a recovery, but it is going to take some time.

All the market needs is some confidence and some buyers and we will again start to see some growth. This recession has taught all of us some valuable lessons and we will be stronger for it.

It is a great time to take advantage of the downward force the market has placed on interest rates making it a great time to Refinance or Purchase. With anxious sellers, soft prices, and a tax credit there has never been a better time to buy a home.



Rates As of: Jan. 1st., 2010 Rates Subject to Market Change.

Rates below do not include positive or negative adjustments for risk layering for items such as debt ratio, LTV, Credit Score, etc.

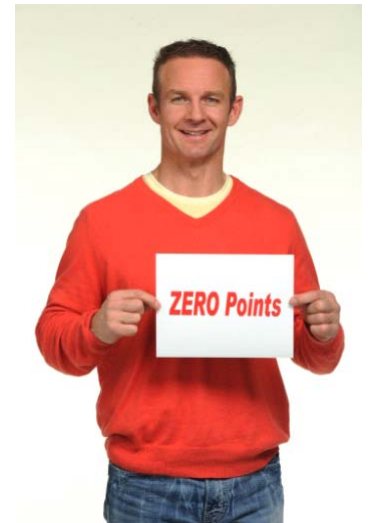
Please Call for Today's Rates that may be lower with Changing Markets.

### MORTGAGE RATE SHEET

#### CURRENT RATES (Conventional):

	Interest Rates:	Points:	Monthly Payment Principal & Interest
\$100,000.00 Loan			
FIXED RATES BY YEARS			
<b>30</b>	<b>4.875%</b>	<b>ZERO</b>	<b>\$529.21</b>
30	4.750%	1	\$521.65
30	4.625%	2	\$514.14
<b>25</b>	<b>4.875%</b>	<b>ZERO</b>	<b>\$577.33</b>
25	4.750%	1	\$570.12
25	4.625%	2	\$562.95
<b>20</b>	<b>4.750%</b>	<b>ZERO</b>	<b>\$646.22</b>
20	4.500%	1	\$632.65
20	4.375%	2	\$625.92
<b>15</b>	<b>4.500%</b>	<b>ZERO</b>	<b>\$764.99</b>
15	4.250%	1	\$752.28
15	4.125%	2	\$745.97
Interest Only	<b>5.750%</b>	<b>ZERO</b>	<b>\$520.83</b>
	5.625%	1	\$500.00
	5.500%	2	\$489.58
ADJUSTABLE RATES			
5/1 Treasury	<b>3.990%</b>	<b>ZERO</b>	<b>\$476.84</b>
5 Year Fixed	3.750%	1	\$463.12
	3.625%	2	\$456.05

"If you have Great Credit, Deserve a Great Rate; if you have Bad Credit, You Deserve a Second Chance."  
- Football's Merril Hoge





## Reverse Mortgages . . . Because Your House is Made of Money

For those Borrowers at the age of 62 or older, the Reverse Mortgage is a great program for the right situation. It allows Borrowers to cash into their equity, while not having a monthly payment.

Our Program allows Borrowers and their Heirs to maintain 100% ownership in the home, while the mortgage is just a lien like any conventional mortgage and be paid off at any time without penalty. Additionally, this program has no credit or debt ratio restrictions, since there is never a monthly payment.

We allow Borrowers to have the flexibility to access their Equity in Three Ways:

- Lump Sum
- Line of Credit
- Monthly Payment to the Borrower with No Monthly Mortgage Payment

## Sign Up for a Free Seminar

At Home Team Lending each month our offices conduct Free Seminars for the following topics. These seminars last approximately 90 minutes and are conducted on Evenings and Saturday mornings.

You can register by calling 724-929-2000 or by emailing your name and contact information to: [answers@hometeamlending.com](mailto:answers@hometeamlending.com)

- HOME BUYING: "Finding the Best Mortgage & the Best Home"
- CREDIT: "How Do You Rate & Why"
- EQUITY CONTROL: "How to Control the Pace of Your Payoff"
- REVERSE MORTGAGES: "The Loans that Actually Pay Your Back"
- REAL ESTATE INVESTING & TAX EXCHANGE: "Buy, Sell, Hold, or Exchange"



## 10 Things Your Bank Does Not Want You to Know:

1. They Don't have the best rates, all of those branches and marble lobbies are not cheap.
2. They have tougher rules, as depository institutions they have tighter credit scores and debt ratio numbers to follow.
3. They have loan committees which just adds another level of denial.
4. They work banker's hours and often leave for the day at 4:30.
5. They not only charge nonrefundable application fees they often tack on many unnecessary junk or bank only fees.
6. They don't process loans with a sense of urgency, they expect 6 to 8 weeks.
7. Many of their loans are Callable, if the bank gets into trouble, they can ask you to pay it back that day.
8. They never want you to refinance, they would rather tack on a home equity or second mortgage at a higher rate.
9. They prefer much shorter loan terms and many want a balloon note usually due in 7 to 10 years, they don't want their money tied up long term.
10. They think like Bankers; if you have a bunch of money in the bank they will lend you all that you want; but if you are feeling squeezed and money is tight they often send you away. **Home Team Lending believes in Second Chances.**

## Why Bi-Weekly is a Big Trick

First of all we need to admit that we do offer Bi-Weekly payment plans to our customers, but we only recommend this plan to borrowers who need to take advantage of this plan to meet their monthly obligations if they are paid every two weeks.

The good concept of a bi-weekly plan is that you do pay your mortgage off faster. The bad is how this happens, when a bank is involved in the middle. First the bank will charge an upfront setup fee, on average \$350 and then every time they pull a payment from your account they charge you on average \$3.50 to process the payment. Now the Big Trick; they don't actually pay anything towards your additional principle throughout the year, they just pay the regular monthly payment. They 'bank' the extra principle to make interest money on you and finally on the last business day of the year, they apply the extra principle only. We would rather teach our customers to manage their equity themselves and have them control their equity position. The most used idea is to simply take your mortgage payment and divide it into 12. Then each month, you add one 12th to the payment to go directly to principle. Assuming a \$100,000 Loan Amount at 5.000%, you would pay \$64.34 additional each month and this would save 6.6 years off of a 30 year term, save \$46,643.24 in interest over the 23.4 years it would take to payoff your home, and have an Effective Interest Rate of only 3.822% This system allows you to decide what, if anything, to add to the principle monthly; maybe at Christmas add nothing or after a good month add more. It is amazing how fast just \$64.34 per month helps accelerate your equity position.



# Credit Score Management: What Consumers Need to Know

*The Credit Score Rules are not for the Benefit of the Consumers, but for the Advantage of the Creditors.*

Someone once said to really know what is going on, follow the money. Credit Scoring is no exception. For years the revenue that Credit Agencies lived on was from companies like us actually pulling credit reports. Now their biggest revenue stream is from credit card companies buying lists of names by credit scores and zip codes. Yes, this is why you get so much junk mail, you are being profiled it is not random.

The biggest misconception in Credit is that Credit Scoring is a benefit to the consumer. Credit Scoring has only been around for about 7 years, and was originally designed to help under-

writers from many different industries evaluate customers more accurately instead of the classic way of evaluating each individual tradeline. Now that the Credit Agencies count on revenue from credit card companies they have skewed the rules to benefit the credit card companies, maybe not deliberately but it helps them not you. They want to keep you in debt, especially with high credit card rates as long as possible to make as much as possible

from your wallet.

We can help you fix errors and many of us have inaccurate information on our reports. We can help you manage your credit score, pick the good accounts and avoid the bad and costly ones.

We provide a system where we run a test on your credit report to see what simple things you can do to immediately increase your score. Additionally, we can fix or remove errors and have your credit rescored in 24 hours, for some this allows them to be Pre-Approved.

*"It is amazing how bad the path our Banker had sent us down, we had no idea what we were doing. Much thanks to everyone at Home Team for getting us on the right track."*

J.C. - BRIDGEVILLE

## CREDIT REPAIR: What Can You Do?



When Credit Becomes Really Bad, You Need Guidance to Get on the Right Track.

We Provide One on One Coaching, to Not Only Fix Some of the Past, but to Help Make Better Decisions for the Future.

## Questions & Comments 866-667-5363



To subscribe to our newsletter, ask a question, or request a Loan Quote please send a message to:

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**Thomas Kinsey** is president and CEO of Home Team Lending LLC, a full service mortgage company and is a 17 year industry veteran. He earned a Bachelors Degree from Clarion University where he Majored in Finance and Real Estate. Mr. Kinsey is a Certified Credit Analyst , Licensed Loan Originator and Licenses Underwriter . In Addition he provides lectures and training to first-time homebuyers and real estate investors seeking guidance in the Real Estate Market.

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