

Tips & Tidbits

Financial Newsletter For «Name»
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Tax Tips

Want the truth about refunds?

Let's start with some facts:

- Ø Nearly 100 million taxpayers got refunds last year (3 out of every 4 returns).
- Ø The average refund was slightly more than \$2,000.00.
- Ø Refunds to Individuals totaled more than \$202 billion last year

An incredibly large number of people are in such a big hurry to get their refund (their own money) that they will pay service fees to get the money quickly. If you are due a refund and then purchase a refund anticipation loan, you are not only making a no interest loan to Uncle Sam but also paying a fee to get your money back fast. We do not recommend this course of action.

Some people argue they use the refund as forced savings. Again, Uncle Sam doesn't generally pay interest so your money is not working for you.

The right move is to adjust your withholding or estimated tax payments to more closely match your anticipated tax liability. Then you can use the difference to pay off debt or deposit into an interest bearing account, CD or other investment vehicle. If your employer does not offer direct deposit, most banks will gladly set up a monthly transfer from your checking account into a savings or investment account.

Also, if you are a student, can be claimed as a dependent, and meet various other income limitations you may be exempt from withholding altogether.

Call us and we will be happy to assist you in reviewing the numbers and developing your action plan.

- DID YOU REMEMBER TO SIGN YOUR CHECK?
- DID YOU WRITE YOUR ACCOUNT NUMBER ON YOUR CHECK?
- DID YOU WASH BEHIND YOUR EARS?
- WHEN ARE YOU GOING TO FIND A NICE GIRL AND SETTLE DOWN?



Mortgage Loans

I'm sure you have heard all of the mortgage company commercials, seen the billboards, received the mail solicitations and maybe even gotten calls from a telemarketer or two, all of whom are trying to get your mortgage business.

One of the more common sales pitches is the no closing cost loan. These are loans where the loan officer's commission from the loan company (also known as a yield spread premium) is padded to cover the closing costs. This is accomplished by setting your interest rate higher than if you were paying the closing costs. While there are instances where taking this approach may be the right move, many times it is just a sales gimmick and does not provide the borrower with the best loan solution and can ultimately cost you thousands of dollars over the life of the loan.

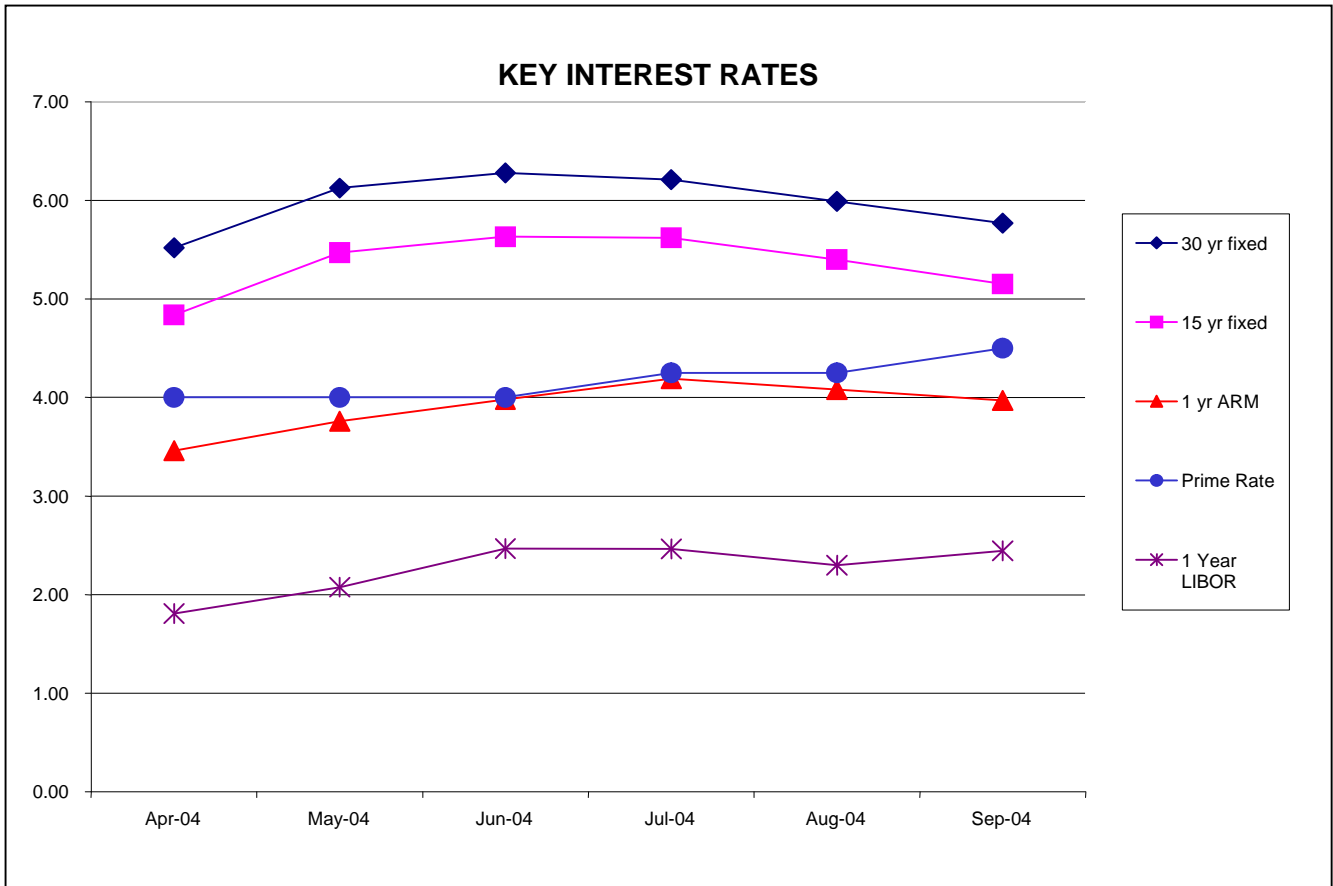
So if mom isn't your first choice, you need to develop a relationship with someone you can trust to help you select the right loan at the best terms.

To complete your comparison, there are several decisions you will need to make and information you should then gather from potential loan advisors such as:

- Ø Type Of Loan
 - § Fixed
 - § ARM
 - § Balloon
 - § Interest Only
 - § Line of Credit
- Ø Loan Variables
 - § Loan Term
 - § ARM Source Of Base Rate
 - § Base Rate
 - § Margin
 - § ARM Cap (Change/Lifetime)
- Ø Interest Rate
- Ø Closing Fees & Other Costs
 - § Origination Fee
 - § Loan Application Fee
 - § Underwriting Fee
 - § Processing Fee
 - § Title Charges
 - § Government Taxes & Fees
 - § Appraisal & Inspection Fees
- Ø Prepayment Penalties
- Ø Trust & Comfort Level

Please give us the opportunity to show you we care about earning and keeping your trust, confidence, and friendship as well as your business for many years to come.

The best compliment we can receive from our clients is a referral. You can rest assured; we will do everything possible to ensure the person you refer is completely satisfied with the services and products they receive.



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