



# REVERSE MORTGAGE SPECIALIST

**NewFed Mortgage**

Mortgages for every stage of your life.

## David Stacy

Director of Reverse Mortgage Lending



### MERRY CHRISTMAS & HAPPY HOLIDAYS!

2023 is coming to a close! I'm excited for 2024 and all the opportunities and challenges it will bring. This season provides a respite from the business of the year and also gives an opportunity to look back on the blessings we experienced.

However you plan to view the upcoming year, I want to take this opportunity to wish you a very Merry Christmas and a happy and safe New Year!

— David

P.S., Enjoy the cookie recipe on the back page!

**Phone: (843) 491-1436**  
**Toll Free: (855) 491-1436**  
**Cell: (843) 267-6789**  
**Email: DStacy@NewFed.com**  
**Web: www.Reverse-Info.com**

## How a Reverse Mortgage Could Save Uninsured Homeowners From Disaster

The casino is a suitable place to roll the dice and take your chances; however, gambling with the security of your largest asset and risking the roof over your head is not.

### Survey reveals more homeowners are uninsured

Recent information is showing that in the last year, many homeowners have dropped their homeowner's insurance coverage due to skyrocketing premium increases.

Are most of these homeowners well off with substantial assets to self-insure their homes? No. The survey also showed that half of those who chose to forego insurance on their home have an annual income below \$40,000. Many seniors fall within this category.

As we know, if you have a mortgage on your home you are required to carry homeowners' insurance. The lender must protect the collateral that secures the loan. David Stevens, a former head of the Federal Housing Administration and the Mortgage Bankers Association, said the Insurance Information Institute survey suggests most of the homeowners that have dropped their home's insurance are retirees with a paid-off home who are living on a fixed income.

Inflation (there's that nasty word again) is likely influencing the decision for these homeowners. Stevens said, "For some people living on a fixed income, who have seen the prices of necessities like food and energy go up significantly in the last two years, it's one they might have to make, however reluctantly."

Insurify, an online insurance marketplace, projects the average cost of home insurance will be \$1,784 this year, 17% more than in 2021, and some residents are getting charged more than three times that.

Homeowners living on a fixed income who cannot afford homeowners insurance are also at risk of falling behind on their property taxes. Stevens noted, "As long as you don't have a mortgage on your house, you won't get kicked

out if you don't pay for home insurance, but you will get kicked out if you don't pay your property taxes."

### How a Reverse Mortgage (HECM) can save the home

How could a reverse mortgage literally save the home where these at-risk individuals live? Let your house pay its own way. Do the math. Let's say a couple has a home worth \$300,000 that's been fully paid off but they cannot afford homeowners' insurance, and are struggling with their taxes. Should they lose their home to a natural disaster or fire they could easily find themselves homeless not having the money to rebuild. However, utilizing a reverse mortgage this couple could take out an annual withdrawal from a Home Equity Conversion Mortgage's available credit line to pay the annual premiums.

This strategy would give them peace of mind and, most importantly, protect them from becoming permanently unhoused. Of course, the initial closing costs, insurance premiums, and accrued interest would add to the loans balance but they've succeeded in protecting what is likely their largest asset and may help ensure the home remains for their heirs. Don't forget, it can also help pay the annual real estate taxes, which help decrease disposable income expenses.

Logic would suggest that only a small proportion of families could withstand the total loss of their home from an unforeseen weather event, and weather does not discriminate.

### Conclusion

If you're a homeowner that has experienced increases in the cost of homeowners' insurance (and property taxes), give a reverse mortgage some consideration. Let your house pay its own way. In a disaster, it may be the best decision you've made. A decision that could literally save the roof over your head.

As always, stay safe everyone, and may God Bless you all.

— David Stacy

## 5 Mortgage-Related Terms You Should Know and Understand!

You have a lot to consider when thinking about getting a mortgage, and you don't want unfamiliar lingo bogging you down. Before you begin the process of buying a new home, get comfortable with these five key mortgage terms.

**1) Fixed-Rate Mortgage:** With a fixed-rate mortgage, your interest rate stays the same for the entire loan, which means your monthly payments do too. That predictability can help with budget planning, but fixed-rate loans sometimes come with a higher interest rate than other loans.

**2) Adjustable-Rate Mortgage (ARM):** Your payments on an ARM stay the same for a set period but then change annually according to federal

interest rates. While unpredictable on the back end, the initial rate is often lower than a fixed-rate loan.

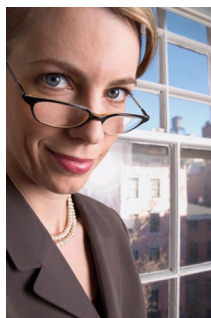
**3) Closing Costs:** At your closing, you'll be required to pay for various services associated with your purchase, like paperwork processing and credit reports. To avoid any surprises, carefully review the loan estimate form you receive from your lender. This document, which is sent to most borrowers within three business days of receiving an application, outlines your estimated closing costs.

**4) Escrow:** When making an offer on a house, a homebuyer submits earnest money that goes into escrow, an account held by a neutral third party.

Those funds are then disbursed once the deal is finalized. You may also pay into escrow if your lender requires you to pay a portion of your real estate taxes each month. That money is then used to cover the bill when it's due.

**5) Private Mortgage Insurance (PMI):** If your down payment is less than 20 percent of the full cost, your lender may require private mortgage insurance. You typically pay PMI along with your mortgage, though it drops off once your loan balance reaches a certain marker (usually 80 percent of the original loan).

Learning these and other relevant terms can help expedite the process of getting a mortgage, leaving you to focus on finding the perfect home.



## From the Inside

*"Should I buy a new home and sell my old home at the same time?"*

Are you looking to buy a new property while also selling your old one at the same time? This can be challenging, but it is certainly doable.

you might also have to hold onto it for a while.

Being able to pay on two mortgages at once prevents you from having to take the step of making your home purchase contingent on the sale of your previous home, but sometimes people have to do this, so let's take a closer look.

For example, if a seller has two similar offers, one sale contingent and one not, they're more likely to go with the one that doesn't require a sale because it's one fewer impediment. That said, if you must have a sale contingency, there are a couple of things you can do to make your offer a little stronger.

### Can You Afford Two Mortgages?

If you're looking to buy while also selling, it's worth looking into whether you can afford two mortgages at once. It's true that if you follow the right steps in this seller's market, it's quite possible to sell your home within a matter of days or weeks, but it's important to plan for the possibility that

### Sale-Contingent Purchases: The Advantages & Disadvantages

By making your offer contingent on the sale of your previous home, you protect yourself from having to make multiple mortgage payments at any point. This could be a big advantage from a buyer's perspective.

In the seller's eyes, one key indicator of whether your offer is likely to go through might be where your house stands in the sales process. Your offer is going to be a little bit stronger if you already have an accepted offer on your home versus it not yet being on the market. If your home is on the market and it's been on the market more than the average local days on the market, that's not a good sign. The seller is going to see right through that.

*That said, if you must have a sale contingency, there are a couple of things you can do to make your offer a little stronger.*

The other strategy you can employ is to insert a clause in your offer that gives you a certain amount of time to choose to waive the contingency on the sale of your previous home if another offer comes in. Usually, sellers will agree to give you a few days to make this decision.

### Home Buying Wisdom

While buying in a tight market can be a unique challenge, most experts advise to just be patient and diligent. Don't give up. Yes, the process can be frustrating and challenging. It will happen. Typically, we see inventory kind of pick back up a little bit and the frenzy that we see in the spring and early to mid summer market kind of slows down around August.

Some of us may have the new keys in our hands tomorrow, while for others, it may take just a little longer, but if you stay the course, the odds are good that it'll work out in the end.

## The Greatest Stories Never Told

### The president who helped launch the world's most popular expression

People all over the world know what "O.K." means. But few of them realize it was born from a wordplay craze and a presidential election.

It all started in Boston, in 1838. People there started using humorous initials, sometimes combined with purposeful misspellings, just for fun. Newspapers picked up on the fad, and writers had a high old time throwing around all sorts of acronyms. For example:

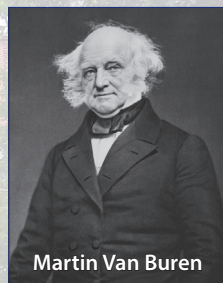
- g.t.d.h.d. — give the devil his due
- n.g. — no go
- s.p. — small potatoes
- O.W. — Oil Wright (all right)
- G.T. — Gone to Texas

And there was another expression that started gaining some currency: "Oll Korrekt," or "O.K."

The fad spread quickly to New York, but the phrase "O.K." didn't come into national use until the presidential election of 1840. Democrats trying to reelect Martin Van Buren were casting around for political slogans. Van Buren was from Kinderhook, New York, and was sometimes called "Old Kinderhook" or "O.K." Political operatives seized on the coincidence. Democrats started forming O.K. Clubs and staging O.K. Balls. The campaign catapulted the expression into national circulation.

Van Buren lost his bid for reelection to General William Henry Harrison. But "O.K." won in a landslide, and continues to be used billions of times a day all around the world.

Source: Excerpted from "The Greatest Presidential Stories Never Told" by Rick Beyer



Martin Van Buren

# 9 Things to Keep in Mind When Selling Your Home!

With so many potential buyers looking to make offers, how do you know which one is best when they start rolling in? We reached out to some experts for advice on what to look for, what to avoid and how to prepare when selling your home.

## 1) Avoid the Finicky Buyer

When it comes to selling your home, beware the nit-picky buyer. If someone is asking for a lot of nit-picky things in their initial offer, it could indicate a potentially high-maintenance buyer, which in a seller's market could be more trouble than it's worth.

## 2) Don't Focus on the Highest Bidder

When offers start coming in, don't focus on the highest bidder.

Experts suggest looking at all of the information, including:

- When is the settlement date?
- How many inspections are they looking to have?
- Is there a seller concession?
- What other inclusions are being asked for?
- What type of financing?

Once you do this and compare all of these nuances, then you would decide to pick the one that is best. You can either choose to let them all know there are other bidders, and for them all to come in with their best and highest, or go with the deal that seems most fitting and counter at a higher price.

## 3) Check Out the Homes in Your Area

When evaluating potential offers, you're going to want to check out what homes are selling for in your area. Comparable homes should be similar in size, layout, features, age and any other factors that buyers care about. Find as many as you can

that have sold in the last 3-9 months, using a site like Zillow®, and compare the average sale price (median if there are large outliers) to the offer you receive.

Experts also suggest comparing the average price increase of homes sold in the area. By comparing the increase in your home's price to the increase in similar houses over similar time periods, you gain an extra layer of comfort that your house has increased in value in line with the rest of your neighborhood.

## 4) Consider Listing on a Thursday or Friday

The best position for a seller to be in is a multiple bid situation. Be strategic when you're selling your home. Homes that are listed on a Thursday evening or Friday tend to get more offers than homes listed earlier in the week like Monday or Tuesday.

## 5) Be Careful When Bartering

There's always a chance that a good buyer with a good offer will walk away from the deal. Never barter over a few thousand dollars. Some experts claim they have seen good deals fall through because of an 'I want to win' syndrome.

## 6) Good Communication Is Key

Remember, if your agent is lacking in good communication skills with you, they'll be even worse with potential buyers. Have a good, clear line of communication with your real estate agent and make sure they're responding and following up quickly, so good offers aren't slipping through your fingers.

## 7) Don't Take It Personally

One of the hardest things for sellers to do is to take the emotion out of the negotiating process. To the seller, claim some experts, the house is an extension of them, and sometimes ego can get in the way of logic. This is where a good agent provides counsel on what constitutes a good offer and what is negotiable.

## 8) Avoid "Love Letters"

While a letter from a potential buyer may seem heartfelt and thoughtful, most experts advise to avoid them altogether. In bidding wars some buyers' agents may try to send "love" letters—quick biographical letters with personal information about their clients—in an attempt to sway your decision. Experts usually advise that you instruct your agent to ignore these letters entirely. Not only will

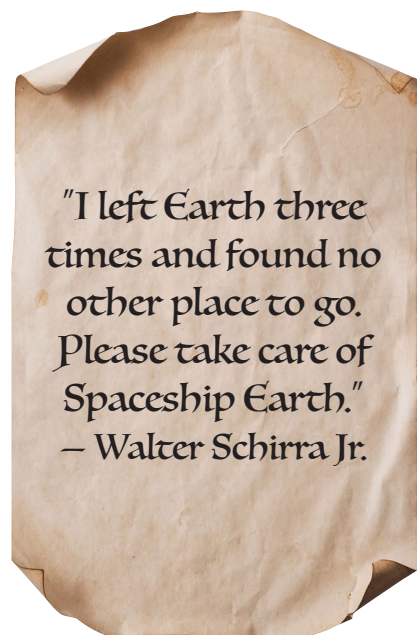
they potentially cloud your judgement, but they might put you in danger of violating fair housing laws as well. Letters that reveal information about race, religion or other protected classes may lead to bias complaints depending on which offer you choose.

## 9) Don't Rush the Process

While it may seem like it's in your best interest to sell your home as fast as possible, most experts advise that you not rush the process. Many people, for example, will try and sell their home within a 24-hour period. Experts, on the other hand, suggest you leave your home on the market for a couple days to allow for full market exposure before accepting an offer. The best thing you can do in this market is to listen to your real estate professional.



*Once you do this and compare all of these nuances, then you would decide to pick the one that is best.*



"I left Earth three times and found no other place to go. Please take care of Spaceship Earth."  
— Walter Schirra Jr.

## Heroes in American History

**W**alter Marty Schirra Jr. (1923–2007) was an American naval aviator, test pilot, and NASA astronaut. In 1959, he became one of the original seven astronauts chosen for Project Mercury, which was the United States' first effort to put human beings into space. In 1962, he flew the six-orbit, nine-hour, Mercury-Atlas 8 mission, in a spacecraft he nicknamed Sigma 7. At the time of his mission in Sigma 7, Schirra became the fifth American and ninth human to travel into space. In the two-man Gemini program, he achieved the first space rendezvous, station-keeping his Gemini 6A spacecraft within 1 foot of the sister Gemini 7 spacecraft in late 1965. In October 1968, he commanded Apollo 7, an 11-day low Earth orbit shakedown test of the three-man Apollo Command/Service Module and the first crewed launch for the Apollo program.

Before becoming an astronaut, Schirra graduated with a Bachelor of Science degree from the United States Naval Academy in 1945, and served at sea during World War II. In 1948, he became a naval aviator, served as a fighter pilot and flew 90 combat missions in the Korean War, and then in 1958 he graduated from the U.S. Naval Test Pilot School. Schirra retired from the Navy in 1969 with the rank of captain.

He was the first astronaut to go into space three times, and was the only astronaut to have flown in the Mercury, Gemini, and Apollo programs. He was not the only Mercury astronaut, however, to be in all three programs; Gus Grissom did it too. In total, Schirra logged 295 hours and 15 minutes in space. After Apollo 7, he retired as a captain from the U.S. Navy as well as from NASA, subsequently becoming a consultant to CBS News in the network's coverage of the following Apollo flights. Schirra joined Walter Cronkite as co-anchor for all seven of NASA's Moon landing missions. Schirra died in May 2007 of a heart attack while undergoing treatment for abdominal cancer in San Diego, California. He was 84 years old.



Every effort has been made to verify the accuracy of the information herein, but it is not guaranteed and should not be relied upon without specific advice and/or consultation from a mortgage or real estate professional.  
© 2023 Exodus Marketing. 2312



**REVERSE  
MORTGAGE  
SPECIALISTS**

125 Palmetto Green Drive  
Longs, SC 29568-9003



**David Stacy**  
*Director of Reverse  
Mortgage Lending*

*Compliments of: David Stacy*  
NMLS #399069 • #1881



## Iced Oatmeal Cookies

### Ingredients

3 c. old-fashioned rolled oats  
2 c. all-purpose flour  
2 tbsp. unsweetened cocoa powder  
1 1/2 tsp. ground cinnamon  
1/2 tsp. baking soda

1/4 tsp. baking powder  
2 sticks salted butter, softened  
1 3/4 c. packed dark brown sugar  
2 tbsp. molasses  
1 tsp. vanilla extract  
2 large eggs, room temperature

### FOR THE ICING:

2 1/2 c. powdered sugar  
3 tbsp. water

### Directions:

1. Pulse oats in a food processor until just ground, not too powdery. Add the flour, cocoa powder, cinnamon, baking soda, and baking powder; pulse until just combined.
2. In a stand mixer fitted with a paddle attachment, beat the butter, brown sugar, molasses, and vanilla at medium speed until light and fluffy, 2 to 3 minutes. Scrape the sides of the bowl as needed. Add eggs, one at a time, beating well after each addition.
3. With the mixer on low speed, add the oat mixture to the butter mixture in two additions, beating until combined after each addition. Cover the dough with plastic wrap and refrigerate for 30 minutes.
4. Preheat the oven to 350° F. and line a few baking sheets with parchment paper.



5. Scoop the chilled dough using a two-tablespoon-sized cookie scoop. Roll it into smooth balls and press it into 2-inch disks, about 1/2 inch tall. Place about 2 inches apart on the prepared baking sheets.

6. Bake until the edges are golden brown, but the centers are still a little shiny, 10 to 12 minutes. Let the cookies cool on the pan for 5 minutes, then move to a wire rack to cool

completely.

7. Icing: Whisk powdered sugar and water in a medium bowl until fully combined. Add water or powdered sugar for your desired consistency. Dip the tops of the completely cooled cookies into the icing, letting any excess drip off. Let sit for about 45 minutes, or until the icing has hardened.

Enjoy!