



REVERSE MORTGAGE SPECIALIST

NewFed Mortgage
Mortgages for every stage of your life.™

David Stacy

Director of Reverse Mortgage Lending



August has arrived!

We're in the dog days of summer, and having spent a little time in West Texas as I tend to do, it's good to be back in Myrtle Beach where it's still the dog days but not quite as dry. This month my son Bryant will be celebrating his 33rd trip around the sun and, along with that, he and his soon-to-be fiancé Chelsea will be coming down from Alexandria, so we can spend some quality time celebrating his birthday and catching up. We talk but haven't seen him in about a year, so it'll be good to have him

(Continued on back page)

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

Financial Planning Using A Reverse Mortgage (Part III of III)

As of September 23rd a new rule from U.S. Department of Labor will require that when a trusted financial services provider gives investment advice about retirement-focused investments, there will be a stricter fiduciary duty that applies.

The financial adviser community is a highly sought after referral source for a reverse mortgage professional. Why? The simple discussion of a reverse mortgage between a financial advisor and their clients lends more credence to the product category. More and more retirement planners are starting to see the value of the reverse mortgage program in an overall comprehensive financial plan. Since home equity can make up a large percentage of an individual's net worth, my question has long been: "What's taken so long?" Regardless, let's move on and discuss ways that a reverse mortgage may help play into an overall financial plan.

Long Term Care Management Costs:

Have you looked into the cost of assisted living? What about a long-term care insurance policy? Premiums often run \$10,000 - \$15,000 per year, or more. A reverse mortgage could help offset the costs and help you plan.

Divorce:

A divorce later in life isn't what anyone thinks of, but sadly it happens. How do we manage the associated costs of two households after the divorce? (I once had someone tell me that he wished he was wealthy enough to be able to afford a divorce — he didn't want one, he just wished he was wealthy enough.) Sadly, it happens and we just need to be able to afford it when it does.



H4P:

A little know program is the reverse mortgage for purchase program. It helps someone buy a home. No one wants a house payment when they retire, but they often want to move into a new home. Moving is often due to downsizing the home; maybe they want one-story living, maybe due to a divorce, or perhaps simply to be closer to family. The reverse mortgage for purchase allows you to purchase a new retirement home without putting down 100%, and without having a monthly payment. Maybe you don't have enough to pay cash, or maybe you do; but with the **H4P** you can keep money in the bank for retirement, and never have a monthly payment to worry over.

Sequence of Returns Risk Off-Set:

It has been shown for years how using a reverse mortgage will extend the value of your portfolio/savings when the "markets" decline; but some simply don't understand the concept. This concept is simple math, and it's proven. Take time to learn if you aren't already familiar with it. It may save your portfolio in times of a down market. Google — "Barry Sacks and reverse mortgage," or I'd be happy to send you the study by Mr. Sacks.

Stay safe everyone, and may God bless you all.

— David Stacy

Five Money-Saving Tips For Your Home!

If you're planning on spending some of your well-deserved vacation time around the house this summer, check out these five simple ways to make the most of your days off. Inexpensive projects like these can add a whole lot of value and efficiency to your most important asset—your home.

1. Give Your Plugs a Tug — Here's something you probably didn't know: Plugged in toasters, coffee-makers, TVs, and other electronic devices in your home actually use a small amount of electricity even when they're not in use. By unplugging them when you're not using these devices, you can save electricity *and* lower your utility bills.

2. Go With the Right Light — Compact fluorescent light (CFL) bulbs are an easy way to make

your home more environmentally (and economically) friendly. Although they're a bit pricier up front, CFL bulbs last a lot longer than traditional bulbs and can save you about \$30 each in energy over their lifetime.

3. Not-So-Hot Can Save a Lot — Want to see a dramatic difference in your energy bills? All you have to do is lower the water temperature on your hot water heater to 120 degrees from the standard 140. You won't feel the difference when you wash your hands, but you'll appreciate the difference it'll make in lowering your budget.

4. How Low Is Your Flow? — By switching to low-flow showerheads, you can not only reduce the amount of water your family uses every day, but also the energy needed to heat it. On average,

you may be able to see a savings of up to \$75 per year on water, and up to \$50 per year on energy bills by going low-flow.

5. Care About Your Air — Just *before* summer is the perfect time to clean and replace the filters on your air conditioning system. A clogged air conditioning filter can increase your cooling costs by 10% or more. Also consider installing a programmable thermostat. It will increase the efficiency of your air conditioner in the summer as well as your furnace during the winter months.

Summertime home improvements are a great way to spend your free time. And you can feel good knowing you're making the most of that time by increasing your home's value *and* efficiency.

...



From the Inside

"Who handles credit better? ...Men or women?"

The data varies when it comes to who handles credit better. The amount of credit card debt men and women have and even their credit scores really differ

depending on the age of the population studied and other factors.

Amount of Credit Card Debt

A survey by *National Debt Relief* showed a large difference in the percentage of women and men who carried credit card debt among certain age

groups. Here are some statistics:

- 63% of women aged 18-24 and 66% of women aged 55-64 carry credit card debt
- 36% of men aged 18-24 and 33% of men aged 55-64 carry credit card debt

However, those numbers show the *percentage of each age group* that carry credit card debt, but it doesn't illustrate *the balances*. When you look at the actual average balances, a survey by *Credit Sesame* showed that men had an overall debt of around \$25,000, while women had an overall debt of around \$21,000.

Interestingly enough, just because men had higher

debt balances doesn't necessarily mean they had worse credit scores.

Credit Scores

The same survey by *Credit Sesame* mentioned above found that men had an average credit score of 630; women had an average credit score of 621.

One explanation that *Credit Sesame* offered for the difference is that men often have higher incomes than women, which might enable them to get more credit and higher credit limits. Credit scores heavily depend on payment history, and sometimes a higher income can help ensure more timely payments.

To add to the equation, a *LendingTree* study of millennials showed that in this generation, the average credit score for women is 666 and the average credit score for men is 661.

When it comes to who has the higher credit score—men or women—it really depends on what segment of the population you're studying.

Confidence with Credit

Sallie Mae recently conducted a national study in order to learn how well college students manage their finances. In their research, they found out some differences between college men and women.

Among the college students surveyed, "Men are more likely than women to *'feel confident'* in their money management skills, but women were more likely to answer the *'how credit works'* questions correctly."

They also found that "men are more likely than women to have a credit card (60% and 53%, respectively), and to carry a higher average balance."

...

The Greatest Stories Never Told

Was David Rice Atchison really president for just one day?

The history books say that President James K. Polk was succeeded by President Zachary Taylor. But there are some who say that there was another president between them, who served as chief executive for exactly one day.

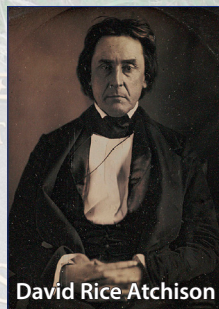
The date in question was Sunday, March 4, 1849. President Polk's term of office officially ended at noon. But because it was a Sunday, Zachary Taylor refused to take the oath of office until noon the next day. So who was president from the time Polk's term expired to the time Taylor was officially sworn in?

Missouri senator David Rice Atchison was serving as president pro tempore of the Senate, which made him next in line after the president and vice president. Therefore, the argument goes, he served as our nation's twelfth president until Taylor's swearing-in. When asked what he did on the day of his supposed presidency, Atchison replied: "I went to bed." He had presided over the Senate in a late-night session the day before.

Historians and legal scholars have quibbled about this for more than a century. Atchison himself chose to embrace the suggestion with good humor, describing his presidency as "the most honest administration this country ever had." Atchison was a senator from Missouri for twelve years, and later became a leader among pro-slavery Democrats in Kansas before the Civil War. The city of Atchison, Kansas, is named after him. The "president for a day" is also memorialized in the name of one of the most famous railroads of all time: The Atchison, Topeka, and Santa Fe.

Perhaps he can also lay claim to being the only American president who never made a mistake in office.

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



David Rice Atchison

How to Avoid Buying More Home Than You Can Afford

You want to buy a new home. Now may be a great time because competition between sellers is somewhat low compared with other points in history. It also gives you a spot in this world that's yours to do whatever you want with. Nevertheless, in getting ready, there's one really big question you want to make sure you answer *before* moving forward: *Just how much house can you really afford?*

We'll go over a couple of different ways to calculate that and how to avoid getting yourself in over your head. If you know how much you can realistically afford, you'll be able to buy with confidence.

Get Pre-Approved

Before you take a look at what's on the market in your area, it's helpful to get a pre-approval for your mortgage financing. This accomplishes two goals:

- You'll get a real dollar figure that can serve as a solid basis for determining just how much you can afford. Your pre-approval letter represents the maximum amount that the lender can approve you for. It shows real estate agents your offer merits serious consideration because you've already taken concrete steps to secure financing.
- When you get pre-approved, your lender will pull your credit in order to determine the amount of your monthly debt payments. This is then put up against income documentation to get your monthly debt-to-

income (DTI) ratio—a measure of how much of your monthly income goes toward paying off bills, including housing, car payments, student and personal loans, as well as credit cards.

The maximum DTI depends on the type of loan you're getting, but this is important because it also determines how high of a house payment you can *afford to have*, and by extension, *the cost of the house you can afford*.

Don't Strain Your Budget

A pre-approval will tell you exactly how much you can afford to spend

for any given loan. Still, you may not want to push to the upper limits of that approval. The next couple of sections will go over some factors you need to consider to determine the price point where you're financially comfortable.

Leave Room for Emergencies

You never know when a sudden illness or an unexpected job loss could throw your budget into temporary disarray. You'll want to make sure you leave some room in your budget every month to save for your rainy day fund.

How much should you make sure you're saving every month? One strategy is to figure out the

cost of everything you absolutely need: food and water, housing, medicine, electricity, etc. After that, take a look at anywhere you might be able to cut back. You can probably get by without some of your subscriptions as well as not subscribing to every sports package or cable TV, for example.

You might also leave some room there in case you need to pay a medical deductible before your insurance kicks in.

Reserves

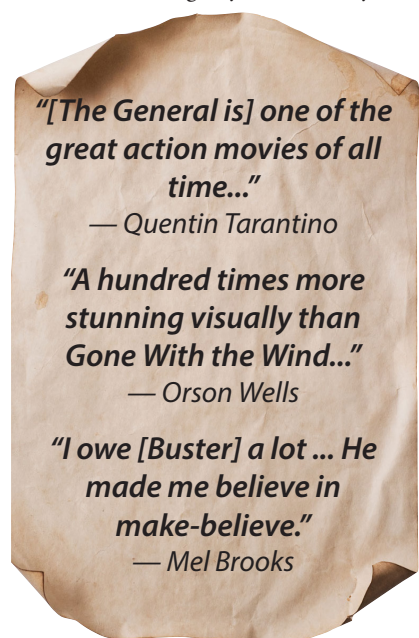
Mortgage lenders understand life does not always go perfectly. Stuff happens. That's why one of the lending checks is to make sure your budget isn't stretched so thin that

a temporary life event puts the affordability of your home in jeopardy. For that reason, you have to have reserves in order to qualify for most home loans.

When lenders measure reserves, they take a look at the assets you have in the bank and determine how long you could continue to make your full mortgage payment in the event of a job loss or other source of financial stress.

You may be required to have anywhere between one and six months' worth of reserves, depending on the loan program you're trying to qualify for. This means having money to pay principal, interest, taxes and insurance, as well as any applicable homeowners association dues.

...



"[The General is] one of the great action movies of all time..."

— Quentin Tarantino

"A hundred times more stunning visually than Gone With the Wind..."

— Orson Wells

"I owe [Buster] a lot ... He made me believe in make-believe."

— Mel Brooks

AFI's Top 25 Movies of All Time

At #18, *The General* is a 1926 American silent film released by United Artists. It was inspired by the "Great Locomotive Chase," a true story of an event that occurred during the American Civil War. The story was adapted from the 1889 memoir by William Pittenger. The film stars Buster Keaton, who co-directed it with Clyde Bruckman. The film also stars Marion Mack, Glen Cavender, and Jim Farley.

Keaton shot the climactic train wreck scene in a conifer forest near Cottage Grove, Oregon. The town declared a local holiday so that everyone could watch the spectacle. Between three and four thousand local residents showed up, including 500 extras from the Oregon National Guard. Keaton used six cameras to capture the train wreck. The scene cost \$42,000, the most expensive single shot in silent-film history (about \$725,000 in 2024).

At the time of its initial release, *The General*, an action-adventure-comedy made toward the end of the silent era, was not well received by critics and audiences. Because of its then-huge budget of \$750,000 and its failure to turn a significant profit, Keaton lost his independence as a filmmaker and was forced into a restrictive deal with Metro-Goldwyn-Mayer. In 1954, the film entered the public domain in the United States because its claimant did not renew its copyright registration in the 28th year after publication.

The General has since been reevaluated and is now considered to be one of Keaton's best films as well as a beloved classic of the silent era. Considered way ahead of its time, it is now also ranked among the greatest American films ever made. In 1989, it was selected by the Library of Congress to be included in the first class of films for preservation in the United States National Film Registry for being "culturally, historically, or aesthetically significant."

The American Film Institute (AFI) is an American nonprofit film organization that educates filmmakers and honors the heritage of the motion picture arts in the United States.



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. © 2024 Exodus Marketing. 2408



125 Palmetto Green Drive
Longs, SC 29568-9003



David Stacy
*Director of Reverse
Mortgage Lending*

Compliments of: David Stacy
NMLS #399069 • #1881



(Continued from page 1)

here for a few days. *Happy Birthday, Bryant. Thirty-three will look good on you!*

Business is bumping along nicely and doing better than many thought, and possibly better still with inflation starting to come down, which means rate cuts are possibly closer than expected and that's good news, depending on where you get your news, of course. Sometimes the news seems intentionally dark, which reminds me of that saying you might have heard, "If it bleeds, it leads." I guess bad news keeps people tuned in to see what happens next. When you think about it, there is often more bad news than good on the tube. I was talking with a business associate who said something sobering: "Sometimes the media can be scary, especially as it reflects on what's going on politically." He went on to say, "Jeremiah 17:9 says, the human heart is deceitful above all things and desperately wicked." He continued: "If lawmakers aren't accountable to the law, and they don't fear God in some form, they're lawless." I'm not immersed in Bible studies but that's a sobering thought. So when the media tries to darken the mood regardless of the subject, I do my best to see things

for what they are, rather than taking everything at face value.

I'm grateful that the weatherman has been pretty consistent, at least here at the beach! Right now, the glass truly is half full, if not a little more, and I hope yours is too.

Remember, if you need anything, I'm always here to help and look forward to hearing from you soon.

Until next time...

— David

David Stacy

"Mortgages for every stage of your life."

Toll Free: (855) 491-1436

Cell: (843) 267-6789

Email: DStacy@NewFed.com

Website: www.NewFedReverse.com

Licensed in Texas