

# Peninsula Mortgage

Inc.



**THE HOME FRONT**  
covering current issues of interest to the homeowner

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## Should Home Buyers Lock in Rates?

Should home buyers applying for loans lock-in rates that are at their highest level since February? Or should they bet that the federal government will find a way to lower rates?

Money magazine staffers say the wildcard is Federal Reserve Chair Ben Bernanke. The Fed has been buying up long-term Treasuries and mortgage-backed securities to keep rates low. But when rates started to climb recently, the Fed seemed to signal that it wasn't too concerned.

But now that rates have climbed to a six-month high, some observers believe that the Fed will refocus its efforts and push them down.

"It's one thing to have a Treasury yield backup when mortgage rates are still declining, but that is no longer the case. The yield on the 30-year fixed-rate is already up 20 basis points from the lows; 1-year ARMs have jumped 17 basis points. This is not what the Fed wants to see," says David Rosenberg, a former Merrill Lynch economist now at Gluskin Sheff.

Source: CNNMoney.com, Carla Fried

**For information on current interest rates and other mortgage matters, please give me a call!**

## Get That Job!

**When it comes to a job interview, how you answer your interview questions is the key to your success. Don't get blindsided. Practice answering potential questions with a family member or friend. Here are a few common questions:**

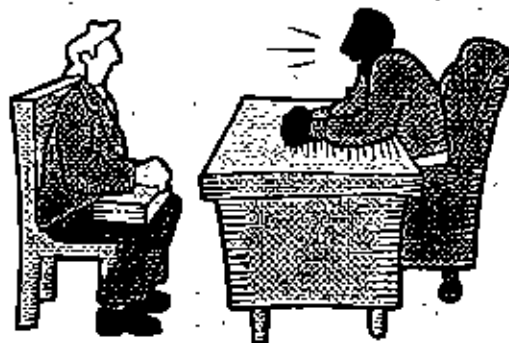
**Tip 1:** What did you like/dislike most about your previous job?

**Tip 2:** How would you describe your manager/boss?

**Tip 3:** How would your co-workers describe you?

**Tip 4:** How do you define success in your job?

**Tip 5:** What has been the most difficult situation you have faced?



## Follow Complementary Paths to Stress Reduction

Stress is unavoidable. That doesn't mean you should pretend it doesn't exist. You can learn to keep everyday stress from under control by focusing on your mind, and your body.

**Mindfulness.** You can take yourself out of the pressures of daily life for a temporary break by slowing down. Pay attention to the present moment, without worrying about the future, what's fair, what's good or bad, and so on. Walk a little more slowly to work, listening to your body for signs of tension. Take a few slow, deep breaths as you wait for the elevator, or sit at your desk waiting for Web pages to load. Focus on what your body is telling you, and you'll be able to manage its responses to pressure more effectively instead of allowing stress to control you.



**Physical exercise.** Activity focuses your energy outward. Exercise also strengthens your immune system. A vigorous walk at lunch can do wonders for your stress levels. A regular workout — swimming, bike riding, weight training — can help you manage stress better over the long term. Don't forget low-impact techniques such as yoga, tai chi, and other stress relievers that emphasize stretching and reducing muscle tension.

## How to Safeguard Your Identity

The Federal Trade Commission estimates that 8 million Americans became victims of identity theft last year. You don't have to add to this year's total. Here's some expert advice, compiled from various Web sites, on protecting your identity:

### Online

**Explore the Web sites you shop.** Reliable merchants will provide their address (not a post office box!) and phone number. Do some research before giving your credit card to a seller you know nothing about.

**Look for secure transactions.** The URL's prefix should change from http to https, or shhttp, to indicate that sales are encrypted or otherwise secure from hacking.

**Print out records.** When you make a purchase, save and print a copy of the transaction (and any other correspondence) so you can back up your claims in case of any dispute.

### At home

**Mail with care.** Don't leave outgoing credit payments or tax documents in your mailbox for the postal carrier to pick up. Take them to a mailbox or post office to ensure their safety.

**Shred after reading.** You know this, but it bears repeating: When you discard credit card bills or anything bearing your personal information, rip it up or shred it so garbage divers can't salvage it to use against you.

**Keep track of your credit cards.** Don't keep more charge cards that you can reasonably monitor for fraudulent activity. Pay attention to expiration dates; if you don't get a replacement on time, contact your bank immediately in case it's been stolen.

### Everywhere

**Memorize essential data.** You don't want a lost wallet or stolen briefcase to compromise everyone's identity. Commit Social Security numbers, ATM passwords, and other important data to memory so you don't need to carry them with you and risk losing them.

## Aging Relatives and Finances

Are you noticing subtle — or maybe not so subtle — changes in the way your aging relatives are handling their finances lately? Are you concerned that they might be having serious trouble, but you don't want to say anything to make them feel bad or put them on the defensive? While this can be a sensitive area for many people to discuss with aging family members, there are ways you can assist your family members with their finances without causing embarrassment or completely taking over this important task.

The first step, however, is communicating. You have to do it. If you're concerned that there's a problem, then there's really no way around it. After all, the best time to act on this is before something disastrous happens to their finances or their health that could challenge your lives and your relationship even more. Did you know that a recent study found that nearly 60% of people who endured a home foreclosure never spoke to their lender or even their closest family members, until it was too late? Don't let this happen.

A good way to begin the discussion is to simply ask them how they're doing, and to let them know you are concerned about them. Some experts suggest using "I" statements to help break the ice and get the conversation going: "I am worried about you, and I want to make sure that everything is okay."



Once you've gained their confidence, let them know that you're just there to help. Sit down with them and assess the situation. Offer to help them organize their important documents, like their checkbooks, bills, bank statements, credit card statements, even their mail. Those having difficulty managing their finances will often have large piles of unopened mail, notices from utilities and collection agencies, and excessive amounts of magazine and catalogue subscriptions — even uncashed checks. These are huge red flags that can help you uncover just how bad the situation may be.

Be sure to discuss their income, assets and insurance policies, even safe deposit boxes. Find out if a will is in place, and discuss whether a health care power of attorney is appropriate. Help them find and apply for government programs or special interest groups and clubs that represent seniors, like the AARP Money Management Program and the National Council on Aging. If it's too much for you to handle on your own, find out if they would be willing to have a family attorney or financial planner review the materials you've already organized together.

It may take a little work and a lot of patience, but don't assume that your relatives will automatically reject your offer to help. Take the time to communicate, and help them get their finances back on track. You'll be glad that you did.

If you need help finding an experienced financial professional, don't hesitate to give us a call.



### The Secret to Happiness Revealed

What makes us happier: the things we do, or the things we own? The answer is a little more complicated than you might think, according to the *Journal of Consumer Research*.

When we're satisfied, we tend to be happier with experiences like a vacation than with goods like a plasma TV. But when something goes wrong—the airline loses our luggage (experience), or the TV breaks (product) — our negative reaction to the experience tends to be stronger than the negative response to the product. One conclusion: Consumers should be very careful when choosing experience-based goods to buy (like vacations or concerts), as the impact of a bad experience will lead to greater unhappiness.

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