

# THE ADVANTAGE

The newsletter of Advantage Insurance and Mortgage Group

February 2008

## I N S I D E

**Save Money - Protect Your Credit**

**New Changes From Washington Make Cents**

**Are You Headed For A Credit Crunch?**

**Home Trends for 2008**

**About Us**

Are you still writing 2007 on your checks? Get used to it—2008 is here! This year is already starting off with a bang. And what a bang it's been! Only one month in and 2008 has been anything but quiet! We've seen everything from a 1.25% reduction in Prime, to possible increased loan limits to eliminate many "Jumbo" loans, to a possible "check back to you" from Uncle Sam! WHOA! How do you keep it all straight, you ask? Call us - that's what we're here for - if we don't know the answer we'll direct you to a business contact who can!

I've earned an important new designation (read more about it inside), and with my new Certified Mortgage Planning Specialist status, I can do even more to help you make better financial choices.

I'm also going to be spending a lot more time make connections in 2008. So you'll see me out and about at local business and community networking events, building the business and connecting with new resources to ultimately help us provide you with consistently exceptional service. That's the heart of what I do — one-on-one mortgage and insurance consulting and planning. I truly want all our our customers to understand all of their options and know that they are selecting the best choices to meet their goals and achieve their dreams.

Did you make any resolutions this New Year? Lose a few pounds, get more exercise, start a new business — that sort of thing? Most people make New Year's resolutions because it seems like a great new beginning — like a nice blank sheet of paper. It's great to get a fresh start, but did you make any financial resolutions for 2008?

People get stuck in a rut financially in the same way we get stuck in other ruts, like bad eating habits or becoming couch potatoes. Are there any financial bad habits you'd like to kick this year — high credit card balances, old loans with high interest rates, an adjustable rate on your mortgage, no life insurance, no retirement account?

This is a perfect time for a "financial health check up." All you need to bring are a few basic documents (I can tell you what you need if you give me a call) and I can help you do a sanity check on your finances. If you've got big plans in 2008 — marriage, new baby, a new home, retirement, job change — we can look at your financial picture and see where it's possible to save money, redirect cash flow and do more with what you have. Ideally, you should do a financial check up every year. And if it's been more than a year, getting a check up should go to the top of your to-do list.

I hope you have a wonderful year in 2008, full of life, love and the happiness of realizing your dreams. If you need a partner in making those goals come true, I'm here to help.



*Theresa Crowell*  
Owner / Broker

**CHECK US OUT ON THE WEB AT -**  
[www.insuranceandmortgages.com](http://www.insuranceandmortgages.com)

Sincerely,

A handwritten signature in cursive script that reads "Theresa Crowell".



## Where is Theresa?

Theresa just earned her CMPS designation - that's **Certified Mortgage Planning Specialist**. It's an elite degree that requires dedication, hours of intensive study and a very demanding test to qualify. Advantage Mortgage & Insurance is committed to giving the very best to their clients and Theresa earning her CMPS designation is just one of the ways she adds value to your insurance and mortgage business.

Theresa's also been busy upgrading the AIMG office space to better serve all our customers. Our new office provides a better professional environment to take care of all your needs. Theresa also made sure that all of Advantage Insurance and Mortgage's computer systems were upgraded for 2008, so that means faster processing and more efficient data handling.

Theresa also spends a lot of time staying current with what's going on in Raleigh to save you money. North Carolina has just passed some new laws that meant well, but ended up making things harder for consumers. Theresa tries to stay up to date so that she can help clients avoid problems and save money.



## Have You Used Theresa's List?

Need a referral to an accountant, Realtor®, CPA, Home Improvement Guru, or other helper? It always feels better when you choose someone who is referred by a friend. That's why Theresa compiled her own list of professionals she's used and would recommend. We can't guarantee their work, but Theresa can tell you about her experience with them and you can go from there. So the next time you need a hand with anything, call us!

## ARM Broken? We can help.

If you've still got an Adjustable Rate Mortgage (ARM) and it's notching up higher and higher, we can help. ARMs can be great ways to save money when interest rates are low, but when rates rise, ARMs can get expensive in a hurry. If you're stuck in an ARM with a rising interest rate, call us for a free consultation. We can help you understand all of your options and recommend choices that make sense for your personal situation.

*"They always say time changes things, but you actually have to change them yourself." - Andy Warhol*  
*The Philosophy of Andy Warhol*



## Save Money — — Protect Your Credit

Your credit rating is like money in the bank. It's one of the odd things about the universe—the more you need money, the less people are likely to want to lend it to you. The less you need it, the easier it is to get.

It looks like lenders, landlords, insurance companies and employers aren't the only ones interested credit scores these days – now the health industry is getting in on the act. Maintaining a good credit rating is one of the easiest ways to save money. With a good credit rating, you qualify for better loan rates on mortgages, car loans, home improvement loans and credit cards. Why? Because with a good credit rating, you're considered to be less risk to default, so banks, lenders, and insurance companies consider you to be safer to lend money to because they are confident you will pay them back. Qualifying for even a percentage point in difference on your loans can add up to thousands of dollars saved over the life of the loans. The same thing is true about your credit cards. While it's always best to pay balances off in full at the end of each month, if you do have to carry a balance, you'll want to carry it on as low interest a card as you can find – and you're more likely to be offered those preferred rates with good credit.

Now we understand credit card giant Fair Isaac is working with Healthcare Analytics and Tenet Healthcare to create a new med-FICO score. This new credit score is intended to judge a person's likelihood of paying their medical bills. As time goes on we have a feeling more and more of the industries will be utilizing your credit scores. Now would be a great time to get your scores in line and do everything in your power to increase them as much as possible. Call us for information on how to do this and what is actually on your report. Changes to your report can take weeks or months to reflect so you don't want to wait until you need to access your credit report and scores to worry about making any changes. We will be more than happy to assist you with what we know in this area.

### *How do you build a good credit rating and high scores?*

**Rule 1** is to pay all your bills on time, every time. Computers now give companies the ability to share data, so it's likely that a late payment to the electric company will get reported to your credit card or mortgage firm.

**Rule 2** is to play fair. If you sign up for a CD club that offers 15 free discs with the obligation to buy four more over a two year period, don't skip out without fulfilling your end of the deal. Bad faith actions make for bad credit. Pay up or cancel, but don't risk a negative report to creditors.

**Rule 3** is to read the fine print. Never agree to any financial obligation without fully understanding all of the rules, regulations and penalties. Read everything. Many people get burned because they co-signed someone's loan and didn't realize they would be liable if the person defaulted, or did not realize that payment amounts could increase with interest rates. Don't put yourself in a bad situation—know what you're getting into. If in doubt call us. That is what we are here for—utilize our experience and knowledge!

**Rule 4** is to avoid overdrawing your bank account or your credit card. Overdrafts are red flags to creditors—they aren't known for giving the benefit of the doubt. Not only can overdrafts trigger penalties from your bank, they can also flag other lenders who panic and raise your interest rates, costing you lots of money.

**Rule 5** is to monitor your credit rating. You're legally entitled to one free credit report per year from each of the three big reporting organizations. Use this tool to make sure no fraudulent or mistaken charges or accounts have been setup in your name.

**Rule 6** is don't close out any credit cards or accounts. Again, there are some simple guide lines for keeping your scores as high as possible and we stay abreast of this information as it changes. Call us with any questions. We look forward to assisting you at anytime with your credit needs.

#### *What if you already have damaged credit?*

In the U.S. many people recover from significant financial setbacks that include divorce, catastrophic health problems, lengthy unemployment or other major crises. In fact, most bankruptcies are due to problems like these, and not to wild overspending. Regardless of the cause, the best way to repair damaged credit is to begin to follow the rules above and make sure you are consistent. It takes time, but recovery is possible, and once you achieve a good credit rating, it really is as good as gold. Again, we work with credit repair and counseling. Call us for assistance or any questions. Don't get hooked or rooked into paying a "service" that won't do anything for your credit or you—except take your money that could go to settle a bad debt!

## **New Changes From Washington Make Cents**

The new economic stimulus bill just passed by Congress will put extra money in the pockets of most Americans. Working individuals would receive from \$300 - \$600, while working couples would receive \$1,200 with the possibility of \$300 per child. Income caps will phase out the rebates beginning at \$75,000 for individuals and \$150,000 for couples.

Use that money to pay down debt or make an extra payment on your car or mortgage. Or save it for a large expected purchase (like new tires) to keep from adding to your credit card.

While we are talking about saving money, call me to talk about refinancing your Jumbo loan – loans over \$417,000. The government is suppose to raise the loan limit that defines what it takes to be a Jumbo loan, and that COULD mean the new rates will be about 1% lower than you are accustomed to! Call me to see if this new ruling has passed and what the requirements are!



## **Advantage Insurance & Mortgage!**

*We're 5 Years Old!!*

Advantage Insurance and Mortgage Company just turned 5 years old! Thank you so much for making it possible for us to reach this milestone. We're grateful for your business and referrals and for the opportunity to serve you and your families. Because of you, we've grown in the number of employees and in our office space. We couldn't have done it without you!

We are always here for you. Every year brings new products, new insurance and mortgage choices and all kinds of new ideas to help you make the most of your finances.

Stop in and visit us in our new office and meet the new faces that we've added as we continue to grow!! Theresa, of course, is always present to meet your needs and answer any questions you may have. Anita Zado is in her second year as a full time NC licensed loan officer and looks forward to assisting your mortgage needs. Helena NeCaise handles all our processing and is also a NC licensed loan officer and looks forward to assisting her many friends and previous clients with their mortgage needs. And, we recently added Penny Carawan in our administrative department, however, Penny also is a licensed NC loan officer and looks forward to helping her friends, neighbors and previous clients with any of their needs. Nicole Crowell continues to handle our insurance department and welcomes your insurance questions.



**1000 COPPERFIELD BLVD., NE  
KOMI PLAZA • SUITE 112 • CONCORD, NC**

*Off exit 60 off Interstate 85 – ½ mile down on left headed South  
on Copperfield Blvd we are in the new strip plaza  
(The Komi Plaza)*



# Tax Time – – Make it Less Taxing

**SURPRISE!** It's that time of year **AGAIN**. There seems to be several things in life that come around every year and yet we are totally unprepared when they "sneak" up on us. April 15 hits us the exact same time every single year and yet we are usually caught off guard and ill prepared for it! Here are a few tips that you should consider when preparing your taxes. You could fill a fat book with often overlooked tax breaks. Here are just a few topics/areas that we thought were worth mentioning. While there are many others and each persons circumstances are different, we thought we'd throw a few 'hot topics' out there for your review. If you need a referral for a CPA or tax preparer we'd be happy to refer you to someone in the area that we work with on a regular basis.

## REAL ESTATE

### Certain Mortgage Insurance Premiums

- You can treat amounts you paid during 2007 for qualified mortgage insurance as home mortgage interest. The insurance must have been issued after 2006 and you must have paid the premiums before 2008 for coverage in 2007. Certain income requirements are required for the deduction. \*This is new for 2007!
- If you paid \$600 or more of mortgage interest (including certain points and mortgage insurance premiums) during the year on any one mortgage, you will generally receive a Form 1098 from the mortgage holder. Note there is a big difference in what is deductible when you PURCHASE a home in any given year versus refinancing. Consult a tax advisor for specific information.
- Areas to ask specifics on include but are not limited to: Commissions from the sale of a property, mortgage prepayment penalties and late fees, points paid by the seller of a home, real estate taxes resulting from the sale or purchase of a property, legitimate home office set ups, etc.

### Family

- Child tax credit: \$1,000 for kids 16 and under
- Higher-education deductions: up to \$4,000 in college tuition and fees
- Up to \$1,650 of college tuition and fees under the Hope credit, or \$2,000 under the life-time learning credit
- Child and dependent care credit: Up to \$2,100 for working single parents and families in which both parents work
- Appreciation on goods donated to a charity
- Earned Income tax credit is worth up to \$4,176
- Interest payments on student loans can be deducted from gross income.
- Alimony payments
- Couples can file a joint return for the full year even if they wed December 31, 2007

### Employees

- Job-hunting expenses if you sought work in your current occupation
- Moving expenses
- Labor Union dues
- Education expenses required by law or your employer
- Protective clothing required at work
- Teachers may deduct up to \$250 spent on books and classroom supplies
- Cell phones used for the convenience of the employer

## INVESTORS

**Savers credit:** Up to \$1,000 for low-income taxpayers who stashed at least \$2,000 in an IRA or retirement account

- Fees for a safe-deposit box that holds stocks or bond certificates
- Investment advisory fees
- Write off securities that became worthless in 2007
- Up to \$4,000 in contributions to an IRA and \$15,500 to a 401(k), plus more for "catch-up" contributions if you're 50 or older
- Up to \$3,000 of capital losses that exceed your gains

## MEDICAL EXPENSES

- Contact lenses, glasses, hearing aides, laboratory work and some hospital services
- Doctor-prescribed weight-loss programs and stop-smoking classes
- Prescription contraceptives, a vasectomy or, in the event either failed, childbirth classes
- Certain long-term care insurance premiums
- Up to \$5,650 in contributions to a health savings account
- Private school tuition for deaf, blind or dyslexic children

## SMALL BUSINESS

- The self-employed can deduct 50 percent of self-employment tax and health insurance premiums.
- Self-employed taxpayers with children may qualify for the employer child care contribution credit if they have no employees
- Charitable contributions sometimes can be written off as advertising.
- Some travel bills can be deducted if you spent part of a business trip on vacation

## TAXPAYERS

- Tax-preparations fees and audit representations
- Deduction or credit for income taxes imposed by a foreign country
- You may deduct state and local sales tax on your federal return if you forgo deductions for state and local income taxes.
- An ATM credit left over from a prior year could reduce your regular tax this year

**AGAIN, WE ARE NOT TAX ADVISORS – PLEASE TAKE THIS INFORMATION TO YOUR TAX PREPARER FOR SPECIFICS TO YOUR CIRCUMSTANCES.** Again, if you would like a referral to a local reputable tax preparer/CPA please call me. For more info check out [www.irs.gov](http://www.irs.gov) or call 1-800-829-1040.

## Start 2008 Out RIGHT!

- Get a **free analysis of your finances** from Advantage Insurance and Mortgage Group.
- Ask us about a **free, confidential equity assessment** to know the true value of your home—the interest on home equity loans to pay off high- interest debt, make a large purchase (like a car) or finance remodeling are usually deductible.
- Ask us about **improving your credit scores.**



## Are You Headed for a CREDIT CRUNCH ?

Americans are over their heads in credit card debt. According to CardTrak.com, average bank credit card interest rates exceeded 19% in March 2007, compared to 16.5% in 2003. The Federal Reserve Bank says that Americans now owe \$880 billion in credit debt. A survey from the National Association for Business Economics says that worries about debt and loan defaults now keep more Americans awake at night than fear of terrorism.

Did you know that charging a Big Mac can cost you? According to CardData.com, Americans charged more than \$51 billion in fast food on credit cards in 2006. At the average interest rate of 19%, any hamburgers that didn't get paid off in the month they came due ended up costing almost a fifth more in interest!

Only 11% of American credit card holders who carry a balance only pay the minimum payment, according to Experian-Gallup. In fact, the Federal Reserve Bank says that a full 40% of Americans spend more than they earn. The Fed says that by June 2007, U.S. consumer debt (everything except mortgages) was \$2.46 trillion. At least \$904 billion of that was on credit cards. The average American family owes 5% of its annual income to credit card companies.

How much do people owe? MSN Money says that the median credit card balance is \$2,200, and that 8.3% of households owe over \$9,000. Two million American homes owe more than \$20,000, according to Liz Pulliam Weston. Forty percent of credit card holders owe less than \$1,000. Nearly half of consumers have less than \$5,000, but 15% carry more than \$10,000 in balances, according to MYFico.

If you played Santa and now need to be Scrooge, now is a good time to get your financial picture into focus. We can help you pay off your credit cards or consolidate them to get lower rates and smaller/fewer monthly payments. You may even be able to take a tax write-off if you use the equity in your home. Believe it or not, you can pay off your debt and actually come out with more monthly spending money by being smart about refinancing.

Call Advantage Insurance and Mortgage for a financial check-up today. If it makes sense to refinance your mortgage or take a home equity loan, we have some great products we can recommend. Our first priority is taking good care of you—and making sure you make the most of your hard-earned money. Get started digging out of credit card debt today—we can help!

### Check Out Our Web Site!

We're upgrading again! Keep an eye out for exciting new changes as we add to our website to bring you more services to save you more money. Our website ([www.insuranceandmortgages.com](http://www.insuranceandmortgages.com)) has all kinds of free, useful information, plus links to other helpful sites, weekly mortgage rate updates, and all kinds of good stuff. Surf on over and let us know what you think of the new look!

## Home Trends for 2008

A growing number of Americans are opting for remodeling rather than upgrading to a new home. One of the most popular remodeling projects is creating outdoor living space—verandas, furnished patios and finished decks that make a seamless transition between inside and outdoors.

According to a study by Unity Marketing, 40 percent of home owners expect to create a "major" outdoor living project in 2008. A recent Remodeling Magazine study shows that homeowners get close to a 90 percent return on their deck investment, encouraging the trend toward larger and nicer deck areas.

The spotlight was on water features, fireplaces and "entertainment stations" at the National Hardware Show in November 2007. Outdoor lighting and weather-proof flat screen TVs are helping to move the living room to the outside of the house.

Full outdoor kitchens now sport multi-burner stoves, warming drawers, beer taps, wine chillers and refrigerators. The Cologne-International Camping and Garden Lifestyle Show experts expect the trend for outdoor gourmet cooking to increase. What's better than a big grill? Imagine a set-up with smoking drawers, storage spaces, wash basins and multifunctional burners. Wood-fired ovens and outdoor dishwashers are the "in" accessories.

The National Hardware Show report predicts that fire pits and fireplaces will continue to dominate outdoor landscapes. In 2008, fire pits will offer a greater variety of choices, in size, materials and fuel sources. The trend to move rugs, pillows and weatherproof upholstered furnishings outdoors is still strong according to Outdoor Living Trends. Hot outdoor textures in 2008 will include rattan, woven fabrics, and tropical island botanicals say Yotrio International. Popular water features include fountains and koi ponds, says Qualified Remodeler.

If buying a new home isn't in the cards for 2008, put some creativity to use and re-think your backyard to add a whole new "room" that might make all the difference!



## Area Home Sales

	Listings	Price Range	Ave. list price
<b>Cabarrus County:</b>			
(single family homes)	1704	\$25,000 - \$2,750,000	\$259,318
(condos and town homes)	84	\$55,000 - \$949,000	\$189,846
(land, lots and acres)	498	\$9,950 - \$10,000,000	\$425,362
<b>Mecklenburg County:</b>			
(single family homes)	8025	\$15,000 - \$39,001,001	\$341,081
(condos and town homes)	3219	\$19,900 - \$4,067,000	\$289,895
(land, lots and acres)	906	\$6,000 - \$22,140,000	\$415,293
<b>Iredell County:</b>			
(single family homes)	1732	\$12,000 - \$4,500,000	\$426,245
(condos and town homes)	133	\$79,900 - \$484,900	\$194,930
(land, lots and acres)	1042	\$2,500 - \$12,297,300	\$321,524

Source: CMLS



# ADVANTAGE INSURANCE & MORTGAGE GROUP

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KOMI PLAZA, SUITE 112  
CONCORD, NC 28025

COME VISIT US IN  
OUR NEW OFFICE!

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## About Advantage Insurance & Mortgage Group

Advantage Insurance and Mortgage Group also provides auto, home and recreational vehicle insurance. Theresa B. Crowell, a full-service mortgage broker with more than 20 years in the insurance and mortgage business, owns Advantage Insurance and Mortgage Group.

Theresa provides thorough, personal and responsive service to all her clients--homeowners and business customers. Theresa is also qualified to provide an assessment on your home's equity. She is a Realtor® and a member of both the NC Association of Mortgage Brokers and CMLS.

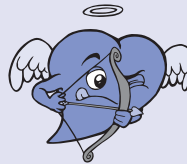
Advantage Insurance and Mortgage Group is a full service mortgage provider, offering a wide variety of mortgage options to fit your lifestyle, income and plans. Our programs can be tailored for self-employed individuals, first-time homebuyers, homebuyers who want to trade up and real estate investors. We work with all types of credit.

Our convenient, flexible office hours make it easy to schedule an appointment. Come see us today!

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## IMPORTANT DATES



**FEBRUARY IS**  
AMERICAN HEART MONTH,  
NATIONAL DENTAL MONTH  
& BLACK HISTORY MONTH

**FEBRUARY 14, 2008**  
VALENTINE'S DAY

**FEBRUARY 19, 2008**  
PRESIDENT'S DAY



**MARCH 17, 2008**  
ST. PATRICK'S DAY

**MARCH 23, 2008**  
EASTER



*Remember those Federal holidays  
when you mail important checks—  
there's no postal service on those days,  
so adjust your mailing time accordingly!*