



## EMPLOYERS EMPOWERING HOMEOWNERSHIP®

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### IT CAN HAPPEN FOR YOU!

*Time to improve your credit score—  
the one that matters*

The credit tap is finally opening up, and consumers hoping to purchase homes can now find greater availability of mortgage opportunities. Make no mistake, however, these loans will require a much stronger credit score than the slam-dunk loans of the lax, pre-meltdown lending days. With much tighter qualifying requirements, now is the time for consumers to be actively improving their credit scores. The higher the score, the greater chance of loan approval, and more favorable rates.

But what can you do that will have the most impact in improving your score? And with so many scores advertised throughout the marketplace, which one is most important to improve?

Let's start with the choice of score. Obviously, you'll want to

improve the score that most lenders use to evaluate your credit risk. If most lenders are using hypothetical score A, for example, then improving score B—or scores C, D, E or F for that matter—won't help you get a loan or the loan you want. It's well-accepted throughout the financial services industry that score A in our example, or the score most lenders use, is the FICO® score. Fair Isaac Corporation, the developer of the FICO® score,

### “How can you improve your FICO® score?”

estimates that 90% of the largest U.S. banks use FICO® scores. To verify that, you can do your own homework: Call a random group of lenders and simply ask which score they use when evaluating a loan application.

How can you improve your FICO® score? First, it's helpful to have a basic understanding of FICO® scores. FICO® scores are numbers that sum up your credit risk. These scores, which range from 300-850™, are based on the information in your credit reports maintained by the country's three major credit bureaus: Equifax, Experian, and TransUnion.

FICO® scores are based on five key factors of your credit performance data. Below are just some of the practices within each of the five factors that you can follow to improve your score:

FICO® scores look at your payment history: Pay your bills on time. And if you've missed payments, get current and stay current.

FICO® scores look at amounts owed: Keep balances low on credit cards and other “revolving debt”. You should pay off debt rather than moving it around. And don't open a number of credit cards that you don't need, just to increase your available credit. 🏠

## OUTLOOK FOR 2009

### WHAT KEEPS US FROM BUYING?

An acquaintance of mine doesn't particularly like the place he's renting. He has \$25,000 in savings which, with our guidance, is more than enough to get him into his own home in this buyer's market.

Yet he still hesitates to buy. Why?

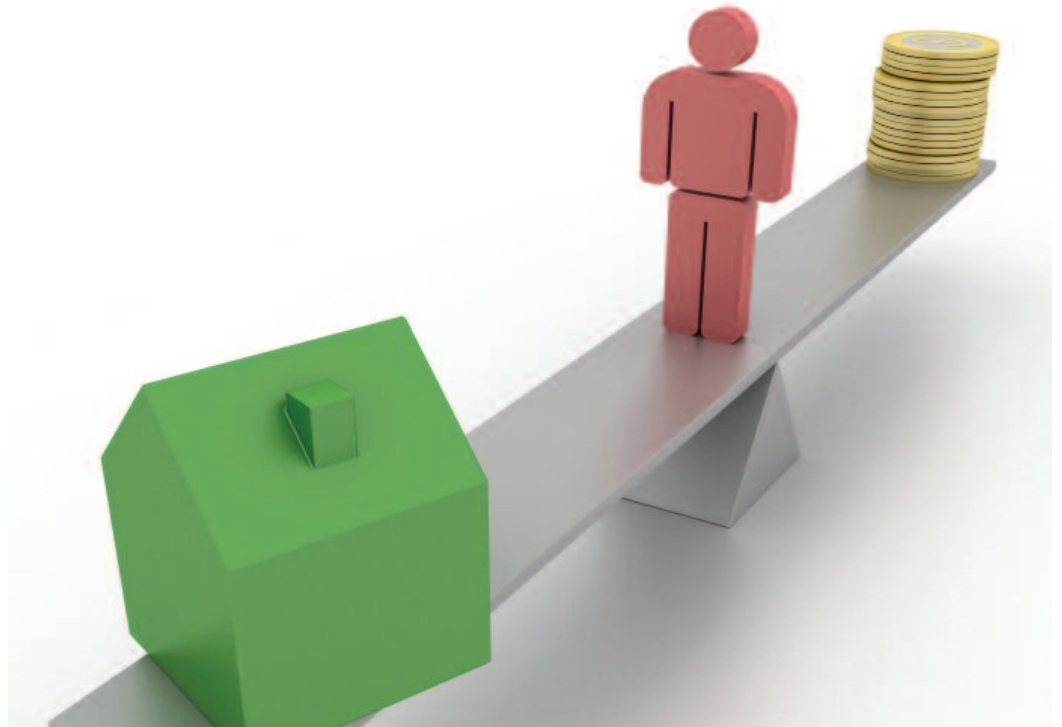
Why would he hesitate, when under the government's stimulus package, he would receive an \$8,000 tax credit next April. Imagine — eight thousand dollars! For many people, that's the equivalent of six months of rent. Best of all, if he just lives in the home for three years, he'll never have to pay it back. It'll be a gift from Uncle Sam.

Is my friend afraid he'll lose money on the transaction? That's not very likely. The worst of the recession is behind us, and properties are beginning to sell again.

Is he afraid his mortgage will turn sour? The financing tools we arrange don't go sour, and we have a 31-year track record to prove it.

Believe us when we say: Right now, property in Marin County is a bargain. An Internet search reveals 35 properties in Marin County that are single-family homes with at least 3 bedrooms and 2 baths, and all of them are priced at \$399,000 or less. Some of them are a LOT less.

The window of opportunity for home ownership is still open. Throw open your own window — you can do it. We'll show you how. 🏠



## WHAT'S HAPPENING AROUND YOU

*Historic facts show why you should buy a home today*

For those who have been waiting for real estate prices to completely bottom out, wait no longer! We cannot emphasize this strongly enough. The opportunity to purchase an extremely low-priced home still exists, but this window of opportunity is beginning to close. Here's why:

Historically, real estate prices begin to rebound, and begin moving up, a few months ahead of the general economy. It's a domino effect that begins with the mindset of investors.

To an investor, a home is just a commodity — a product — something to buy cheaply now, and sell at a higher price

later. In the past couple of years, investors have not put their money into real estate. Their money has been in banks, or the stock market. But a month ago the stock market dropped to a nasty low, and what did that mean? It meant investors were pulling their money out of the stock market, because they have confidence there are other investments that will bring them a higher rate of return.

Investors today are putting their money into real estate. They're snapping up under-priced properties that they will hold (i.e., rent out) for a while, and then sell at a profit.

That's why real estate prices are beginning to move upward again. That's why the lowest-priced homes are seeing multiple offers again. Even though the general state of the economy is not grand, the investors are out there vacuuming up bargains.

Why shouldn't you be an investor? Invest in yourself, your family and your future. We at Northbay Family Homes can show you how to buy a home that is a safe, prudent, long-term investment in your financial future. 🏠



350 Ignacio Blvd, Suite 200  
Novato, California 94949  
tel: 415.382.2545 fax: 415.382.2538  
www.nfh.org  
www.SALTlandbanking.org