



YOU'LL LIKE
THE WAY WE DO
BUSINESS!

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OUR PROMISE TO YOU

- At **Creative Mortgage Solutions** we place the same importance, time, research and energy into every loan as if it were our own personal home loan.
- We strive to make every client feel like they are our most important client, whether it's a million dollar purchase or a first time homebuyer.
- Someone from our staff personally attends every local closing and follows up on all the details, such as locking your rate, reviewing the HUD prior to going to the title company and keeping you in the loop as to the status of your loan.
- We work ethically, honestly and openly.
- We believe the better educated our borrowers are, the happier our borrowers are - so that means no hidden rebates, rate changes or product changes.
- Our goal is to keep your money in YOUR pocket and let YOU be in charge of your loan experience.
- We are in a service industry and we NEVER forget that.

I don't know about you, but I'm SICK of credit card debt. We decided to tackle it head on this year and here are a few tips that might help you out as well.

I found a wonderful snowball calculator (<http://www.whatsthecost.com/snowball.aspx>) to help figure out how much to pay to each card. Many of us pay minimum payments because we don't **SEE** the difference a little bit more might make. But if you have an extra \$25, \$50 or \$75 to throw at your debt, this calculator will help you see the difference this small amount will make.

For example, let's say I have 3 credit cards – Chase \$3000 balance @ 2.99% minimum payment \$125, Amex \$2500 balance @ 13% minimum payment \$60 & Citi \$2000 balance @ 18% minimum payment \$60. My minimum payments come to \$245/month. Paying minimum payments, I will pay off my balances in 55 months and I will have paid \$1615 in interest. But if I am careful with my spending, I can pay an extra \$75 toward these bills. Doing so means I can pay off my bills in 26 months paying only \$808 in interest. This example is simple because, of course, you will pay off the credit card with the highest interest rate first and then, when that card has been paid off, add that payment to the next highest interest, etc.

But in most cases, our credit cards have different interest rates and they might be at introductory rates. This calculator allows you to input the introductory rate as well as the variable payment.

And if your credit card has, for example, a balance for cash advances at one rate and another balance for purchases at another rate, I have an excel spreadsheet that will help you figure out your weighted interest rate to use with this calculator. Email me & I'll send you the spreadsheet.

DOWN WITH CREDIT CARD DEBT!

Next, there are ways to get your interest rate permanently lowered – call your credit card company and ask to speak with their Hardship Program Department. They will ask your income and your debts and if you have a SMALL amount in the positive, but clearly not a large overage, they will close your account and lower your interest rate to a rate which allows a payoff from 12 months – 60 months. This might bring your interest rate to 1.5% and lower your payment several hundred dollars each month. Keep in mind that closing accounts while there are balances might adversely affect your credit score and if you default on your new plan, your interest rates will rise horrendously. But, if the goal is to get out of debt, this is a GREAT program to use.

Lastly, working with a non-profit consumer credit counseling program might also lower your interest rates, help get your credit cleaned up a bit and will allow you to make one payment monthly, instead of several payments to different companies. The one I hear good things about is ACCC 1-800-769-3571 www.consumercredit.com Keep in mind, while working with a credit counseling program, the debts included in the program will notate that fact on your credit report and you will not be able to obtain new credit without the program's cooperation and usually you would need at least one year of timely payments to even qualify for new credit, including a home refinance.

Another resource to answer tons of questions about negotiating with your credit company is <http://www.askmrcreditcard.com>

I wish you well in these difficult times!!

One should consult with a qualified financial planner or lawyer prior to implementing any financial strategies.

If you are a financial planner, an insurance, mortgage or tax professional, please call our office and introduce yourself to us. We are always seeking to grow our referral network and expose more service professionals to our clients.