

Iverson & McAllister Financial Group

Newsletter

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“The key to borrowing money to make money resides in your home”

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Upcoming Events

- ◆ Adjustable
- ◆ Reverse Mortgages
- ◆ Interest Only

Oh No! Interest Rates Still Rising

If there was one question you could ask Donald Trump, what would it be? Most people would ask what he did, or does different then everyone else. And I bet he would say, “I take risks that nobody would ever take, and I don’t worry about consequences.” If we all had this mindset, we would be either filthy rich, or filthy broke.

Personally I think it all comes down to making something out of nothing, and thinking outside of the box. For example, your mortgage on your house is just what you think of it, a mortgage on your house. This is the same way that 98% of the U.S. looks at it. So don’t feel too bad. How do the other 2% picture it? My guess is that they take a peak outside of the average, everyday, perception of a mortgage, a monthly payment that after 30 years will be paid off, or a way to borrow money to have a place to live. No, they look around this, and say, “Wow, I wonder how much money I can borrow with this collateral?”

Let’s talk about this for a while. What would you do if I gave you \$300,000 and told you that I will need \$600,000 after 30 years? Would you take this deal, or would you pass? I bet you would start looking at the numbers a little bit more, and I bet you would figure out a way to make this work. In some cases this could be deadly to someone that spends money just as fast as they earn it. But, in the right hands, this could be a life changing decision. Do you know anywhere you could triple this money within 30 years, so that you can make a chunk of change at the end of this note?

Congratulations, you’re now thinking like an investment broker. Yep, that is right. Do you have a 401k, mutual fund, investment broker, or anything else in this realm? This is exactly what they do. They borrow your money to make money. You give them \$1000, and they make 10%-20% on your money, and turn around and pay you 1% or less. What an awesome income you’re paying these companies. So, can you understand now why the investment realm is so hard to get accurate information on?

So let’s make this simple. What are your goals, or things you would like to accomplish with your home/mortgage? Do you want to pay it off as soon as possible, or do you want to keep the payment as low as possible, and bet on the market to continue to grow so you can make more equity in your home?

What if I told you I know a way you can pay off your home 20 years faster, and not pay a single dime more then you are now on your 30 year fixed mortgage? What if I told you, that I know a way, you could live in your home for free, and it would be paid off in 30 years? You would probably tell me I am nuts, and that it smells like a scam. Well, I don’t blame you. So, I will not go any further then this. This is the start of your risk management. Measure the consequences and make the call. What do you have to lose?

Michael Iverson