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The People Who Make Dreams Come TrueSM

The Star Mortgage® Update is a publication dedicated to the education of Real Estate Agents

Real Estate Agent Support Hot Line
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The Star Mortgage Update®

Get Rich Slowly



An average homeowner has a net worth that's 41 times larger than the net worth of a typical renter, reports the National Association of Realtors. Building wealth happens effortlessly over time for most owners.

Remind your prospects that rising rents are a fact of life for persons who don't live in their own house. But *owning a great home in a neighborhood they love will pay off every day.*

Owners gain wealth in two ways. First, making monthly mortgage payments gradually reduces the amount owed, and boosts their equity. Growing demand for homes

from a rising population also causes most houses to appreciate in value over time.

BEAT INFLATION

"Over the long-term, housing has tended to beat inflation by a couple of percentage points a year," states **The Wall Street Journal**. "That's valuable inflation insurance, especially if you're young and raising a family and thinking about the next 30 or 40 years."

Today's concerns about higher inflation down the road should translate into home price increases. Already we're seeing the values of hard assets — from precious metals to farmland — going up as a result.



Homeowners will benefit from this trend, if it continues, simply by living in their residence. *Real estate prices typically increase rapidly when inflation picks up.*

Owning property should be important to anyone who believes we're going to experience stronger inflation down the road. *And today both house prices and mortgage rates are low.*

If you meet consumers who aren't sure whether now's a good time for them to buy a home, have them write down a list of "reasons to buy" and "reasons to rent."

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Happy New Year!

Taking a moment to remember our best times from last year makes us feel good as 2011 begins. Never forget that *local families rely on you to provide experienced advice and trustworthy service when they're looking for a new residence.*

Helping community members achieve their goals in a challenging real estate market also continues to be satisfying for us. We look forward to showing your clients positive home financing opportunities this year. **Here's to a great 2011! ★**

Thanks for Your Referrals!

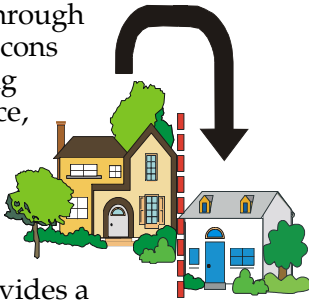
New Retirement Strategies

It seems more Americans are concerned about having adequate savings once they've stopped working. But while owning a big nest egg can make us feel better, it isn't the only key to a happy retirement, notes AARP.



Learning to enjoy life within our means can be more helpful than taking drastic measures to improve our wealth. You can assist senior homeowners by helping them think through the pros and cons of downsizing their residence, for instance.

Living in a house for decades typically provides a buildup of equity that lets owners sell for a nice profit. Explain how they can buy a more-modest home, and have money left over to live on. Some people accomplish this by sharing living space with family or long-time friends.



Seniors living in a smaller place also spend less each month on utilities, insurance, and maintenance. *"Many people have concluded that having large homes and all the material goods they once thought were so important simply don't make them any more satisfied in life,"* adds AARP.

Simplifying our life makes it easier to focus on what's important. Moving also can allow us to be closer to what we value today.

Encourage your clients to arrange their retirement living circumstances to provide the



opportunities they want. That may include taking classes, pursuing hobbies, working part-time, or volunteering.

LIVE FULLY

AARP reminds us that "experiences, not things, enrich your life." We are more likely to look back fondly on what we've done, rather than what we've purchased.

One way of achieving this lifestyle is by resisting the temptation to compare how well off we are with others, adds AARP.

Reducing our living costs can go a long way to helping us be financially secure. Financial planners also note that parents don't have to leave their children a big inheritance. Dipping into their retirement principal — rather than just living on dividends — will provide extra funds.



A part-time job also can offer both a paycheck and the opportunity to do something interesting. Retirees would need to have a large amount invested in bonds to replace the income they'll receive by working a few days each week.

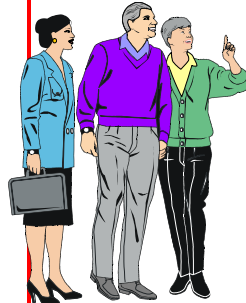
Having a plan which sees the importance of both finances and life experiences helps us approach retirement confidently. Best of all, there are plenty of reasons to be upbeat about our senior years.

A study by the Stanford Center on Longevity concludes that *"as we grow older, we tend to become more emotionally stable. And that translates into longer, more productive lives that offer more benefits than problems."* ★



What Your Buyers Want

Real estate trends are revealed in the 2010 Profile of Buyers and Sellers from the National Association of Realtors. One of the survey questions asked recent purchasers what services they wanted the most from their real estate agent.



More than half the buyers replied that "help finding the right home to purchase" was the primary assistance they expected from an agent.

Consumers also made it clear they want agents to assist with negotiations during the purchase process.

However, homebuyers don't expect their real estate agent to arrange financing for them. Just two percent of buyers said that was an important task for agents.

Working together allows us to provide the service and expertise consumers expect. Taking stress out of buying will encourage your clients to tell their friends, family members, and co-workers to contact you when they're thinking about moving.

As your financing partner, you can count on us to help you expand your market share in 2011! ★



Economy Keeps Advancing



Signs continue to point towards improvement in U.S. real estate markets. Yet we're still in choppy conditions, and may experience "two steps forward and one step back" at times, says the National Association of Realtors (NAR).

America's economy is growing slowly, but picking up speed. Growth measured 1.7 percent during the second quarter of 2010, according to the U.S. Commerce Department.

But that expansion increased to 2.5 percent in the third quarter. Higher earnings and stronger consumer spending led the way, states **Bloomberg News**.

Purchases by consumers rose at their fastest pace in four years.

Get Rich Slowly

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Next, ask them to review those two lists. It should be apparent which path is the best for them to take.

If moving is a positive step, *suggest they talk with us to find out how mortgage payments will fit into their budget.* We'll answer all their questions, and help them benefit from today's terrific loan rates.

Gaining affordable payments for as long as they'll stay in their house makes it easier to enjoy living there every day.

Before they know it, their net worth also will be higher than it's ever been. ★



Increasing demand for goods and services will cause companies to hire workers in the future, say economists.

GAINING HEALTH

House prices appear to be stabilizing, according to NAR. *Although market conditions vary around the country, prices overall rose slightly last year.*

Recently mortgage rates edged up from record lows. While they still offer historic bargains, today's rates also are signaling a pickup in economic growth.

A combination of great home prices and attractive rates make a compelling case for purchasing



real estate. Home sales are forecast to rise by six percent in 2011, adds NAR.

Many new households have put off buying, but are now ready to move into their own special place. **It's a great time to let potential purchasers know that low rates and bargain prices are offering them the chance for a better life. ★**



What's for Dinner?

Many households have traditional dinners which they serve during the holidays. Part of the season's joy comes from preparing and eating festive meals together.

Even after the holidays are over, Americans tend to enjoy the same foods as they have in the past. The ongoing National Eating Trends study shows that *our dining preferences have altered little over the past 30 years.*

"But how and who prepares the food has changed," notes The NPD Group, which conducts the research. We still love sandwiches — but today we're more likely to pick one up from a restaurant or supermarket, rather than fixing it in our kitchen.

Almost three-fourths of main dishes eaten at dinner in 1980 were homemade, the researchers add. *Today less than 60 percent are made from scratch,* however.

Our busy lives have many Americans "assembling a meal rather than preparing it," notes NPD. Meals also are simpler now, with fewer items on our plates.

Home cooks have embraced tools to "help make meal preparation easier and more convenient," NPD adds.

Year-round grilling, microwave ovens, and slow cookers all have grown in popularity.

Meals are twice as likely to be microwaved today, compared to the 1980s. And households using a slow cooker at least once every two weeks "jumped 67 percent" during that time, NPD explains. ★



Another Loan Closed

When it comes to financing the homes of their dreams, many of your clients will look to you for your best advice.

If great terms and closed loans are as important to you as they are to your clients, then we should team up and demonstrate just how great your best advice is.



Mortgage services you can trust and depend on.

I learned a long time ago that the mortgage business is not all about numbers and interest rates. It's about people and their dreams. I don't trust my dreams to just anyone and I don't expect you to, either. That's why I'd like an opportunity to demonstrate my knowledge and ability as well as earn your friendship and trust... So you will be able to do business with someone you can trust and depend on.

I pledge to provide you with...

- *Honest, efficient, courteous and professional service.*
- *A wide variety of mortgage options to fit your specific needs.*
- *Prompt response throughout the mortgage process.*
- *Very competitive rates and fees.*



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