

# OMG

O'DETTE MORTGAGE GROUP

LENDING ANYWHERE IN CALIFORNIA AND NEVADA

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600 N. Lake Blvd.  
Tahoe City, CA 96145



## Meet OMG's Katie Rice

Katie's core purpose is to provide mortgage solutions to help people pursue their dreams of financial freedom. As a loan officer, Katie Rice has arranged various financing options such as 100% financing, construction lending, lot loans, unwarrantable condos, and private lending. Katie owns two properties in the Tahoe Basin and is currently looking to take advantage of low mortgage rates to purchase a multi-unit investment property. With a B.S. in Business and an emphasis in Accounting from the University of Reno, Katie can counsel clients



toward a lending solution that best suits their long and short term goals. A Tahoe resident of 21 years, Katie owned and operated an outdoor adventure company for 11 years prior to selling it. She is firmly rooted in Tahoe and lives with her husband of 11 years. Email Katie: Katie@omgtahoe.com or call 530-581-5089.

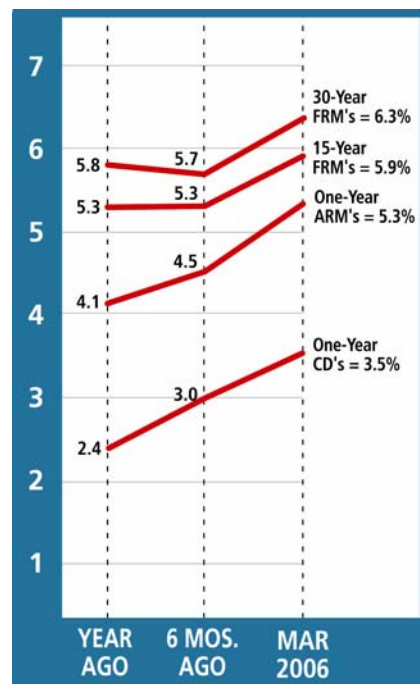
## OMG on the Flip Side

You may have heard that OMG is training 5 teams to participate in "America's Most Beautiful Ride" as members of the Leukemia and Lymphoma Society's Team in Training. Not only have we committed to cycling 100 miles around beautiful Lake Tahoe, but we are also raising \$10,500 to help stop leukemia, lymphoma, Hodgkin lymphoma and myeloma from taking more lives. Wish us luck on June 4th... we're going to need it!

In an effort to better serve the needs of our Truckee clients, OMG will be opening an office in Truckee! The new construction near the

## Key Interest Rates At A Glance

Rate trends over the past year as of Mar. 2006



FRM = Fixed Rate Mortgage  
ARM = Adjustable Rate Mortgage

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airport, is expected to be complete in June. Loan officers Janet Wees, Ephraim Schwartz and Katie Rice will work from the new office while loan processing will continue to be handled through the Tahoe City office. Stay tuned for a Grand Opening party to kick off the summer!

## Economic Indicators

Smart Money magazine at [www.SmartMoney.com](http://www.SmartMoney.com) has the latest business news and the day's most meaningful economic indicators. Along with up-to-the-minute reports on Wall Street. Click on The Market Now.

## Tax Credits

The National Energy Bill gives homeowners up to a \$500 tax credit on energy efficient upgrades. The tax credit applies to upgrades completed in years 2006 and 2007 for upgrades like water heaters and energy-saving windows.

## Travel Updates



Stay on top of any potential flight or security line delays. For the latest on potential flight delays, go to [www.fly.faa.gov](http://www.fly.faa.gov) and for security line wait times at any terminal at U.S. airports, go to <http://waittime.tsa.dhs.gov>.

## Increases in Home Loan Limits



The Federal National Mortgage Association (FNMA) and the Federal Home Loan Mortgage Corporation (FHLMC) have increased the single-family conforming conventional mortgage loan limit to \$417,000 for 2006.

The Housing and Urban Development (HUD) has increased the Federal Housing Administration (FHA) single-family home mortgage limits up to \$362,790. The FHA loan limits actually vary by geographic area within a new range of \$200,160 to \$362,790.

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## Safety... Check, Call, Care

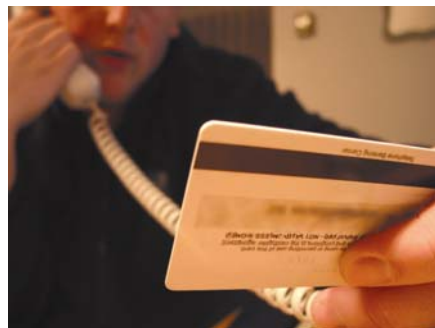


In an emergency, follow the three C's of action... CHECK, CALL, CARE.

## Credit Usage and Credit Ratings

You can actually hurt your credit rating by canceling your credit cards. Here's how... The ratio between the amount of credit available to you, from all your lines of credit, and your actual balances on all of your cards is referred to as the credit utilization ratio. Canceling credit cards reduces the "available credit" component which, in turn, sends your "credit utilization" ratio higher.

If you're wanting to eliminate receiving new "pre-approved" credit card offers, you can call the toll-free number 888-567-8688 provided by the credit bureaus.



### Check the scene

Quickly determine the conditions and what happened; look for more than one victim; have any bystanders help you.

### Call the emergency number(s)

This may be the most important action you can take by giving the dispatcher necessary information ASAP.

### Care for the victim(s)

This is especially beneficial if you have first-aid training to apply before help arrives.

Following the three C's in an emergency will guide actions and be the best way to help others.

## Home Improvement Basics

Home improvement is big business. Approximately 26 million homeowners will spend over \$200 billion on home improvements this year.



Although some projects are within the scope of some homeowners' abilities, larger projects such as an additional room or two are beyond the skills of most homeowners. For that reason, most homeowners are looking to professionals for their home improvement projects. They realize that the project must have that professional look to potential future buyers as opposed to looking like it was done by a do-it-yourselfer.

For ideas and advice go to [www.homeimprovement.com](http://www.homeimprovement.com) or [www.doityourself.com](http://www.doityourself.com).

Whether the homeowner or a specialist does a home improvement project, choosing the right project along with employing quality products will ensure that investment dollars will continue to work throughout the home's life cycle.

## To Your Health

Green and black tea are among the most widely consumed beverages in the world. Their reputation for medical benefits appears to be growing. Green tea contains biologically active compounds known as catechins that may reduce chronic disease risk and enhance overall health.

Green and black tea come from the same plant and both are rich in flavanoids that are natural antioxidants. They also have about half the amount of caffeine as coffee.

As to the adage "an apple a day...", the kiwi fruit scores highest in nutrients out of 27 popular fruits. Papaya and cantaloupe rank second and third respectively. Apples are last according to a Rutgers University study.



## Sleep On It



According to the National Sleep Foundation, more than a third of Americans report levels of sleepiness known to be hazardous on a scientific sleep-measurement scale. Some of their tips to sleep better:

- Go to bed and wake up about the same time each day.
- Pay attention to what your body is telling you – most people need 7 to 8 hours of sleep but for some, 6 hours is enough and others require 9 hours or more.
- Take a "power nap" of 15 to 20 minutes which can enhance decision-making and improve mood.
- Allow yourself at least one day a week to get an extra hour or two of sleep.

Day-time naps are becoming more and more commonplace and even encouraged by some companies.

## Mortgages – What's the Point?

In real estate finance, a point is a finance charge paid to the mortgage lender as part of the closing costs. Each point equals one percent of the total mortgage loan amount.

Points are sometimes tied to the interest rate and paying more points to get a lower interest rate can be a good idea in planning for a long-term loan.

## Bubble Vision

by Ephraim Schwartz, *OMG Mortgage Consultant*

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Home values these days behave with predictability similar to the bounce of a football....or so one might think as the media continues to beat the drum of a looming housing bubble, while prices in the Tahoe area continue to climb higher. If you've kept an eye on all this, you may or may not be clear what is happening and therefore how to plan accordingly. You may also know buyers hurt because they were scared off from purchasing a home earlier and now see how much more those homes cost.

So is there a housing bubble, and if not, so what? The short answer is NO. Some areas may experience a cooling, but a price burst is very different from a slowing rate of appreciation. Current home values are supported by the healthy job market, sustained low mortgage interest rates, and inflationary measures that remain in check.

So maybe we sleep a little

easier, but that's not all this is about. This should affect our financial strategy. Beware of strategic paralysis due to the media analysis. A mortgage is the largest financial transaction most of us will make and there is lost opportunity if it becomes just a bill rather than a tool put to work. With causes of "bubble vision" diagnosed and quarantined, we're able to see a clear plan and execute for that which is most important in our lives. 97% of American's don't have a college savings plan for their children. If that weren't scary enough, less than a third of workers think they will have enough to retire in a way that sustains their accustomed lifestyle.

The Truckee word is out and values up, putting most Truckee home owners in a strong equity position. With the help of a good financial planner, a sound

investment will conservatively double your money every 5 years. An additional \$20,000 on your mortgage will increase monthly payments by less than \$125/month. If you have a child age 3, that \$125/month should be over \$160,000 when it's time for college at 18. That's confidence in your home's value, a plan to go with it, and putting your mortgage tool to work.

Potential buyers should hold the skeptic view to light. Let's say appreciation plummets below the dark depths of Tahoe deep, below all expectation, to a 5% annual increase. Consider a 10% down payment. That's a 50% return on investment over one year. What other legal investment can consistently do that? Granted you're coming up with more each month for mortgage than rent, but crunch the numbers with the tax deductible mortgage interest and it is a fraction of appreciated equity. Appreciation in California is forecasted to be 13.6% in 2006. The place is here and the time is now.

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