

OMG

O'DETTE MORTGAGE GROUP

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OMG on the Flip Side

Congratulations to Mortgage Consultant Kim Borgna, mother of the newest member of the OMG family! Connor Borgna was born on October 10th and was named after brother Will Borgna's favorite Power Ranger.

In a continuing effort to support our local community, OMG recently sponsored Tahoe Women's Services 17th Annual Chocolate Festival. All proceeds benefit Tahoe Women's Services which provides safe shelter, counseling and support services to survivors of domestic violence and sexual assault. For more information go to www.tahowomenservices.com.

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Setting Realistic Financial Goals

You may have some great ideas about how to use your money for yourself and others in the future. But, you may find yourself wondering if your financial goals are realistic. This is a legitimate concern; however, the time for realism will come after you've assessed your current financial situation, determined how much money you can invest to increase your wealth, and decided what degree of risk will be comfortable for you in achieving your goals.

You do need to prioritize your goals and think about what each of them will cost you. Plan well enough so that you can take care of everything—so that priorities become somewhat irrelevant—but it's better to



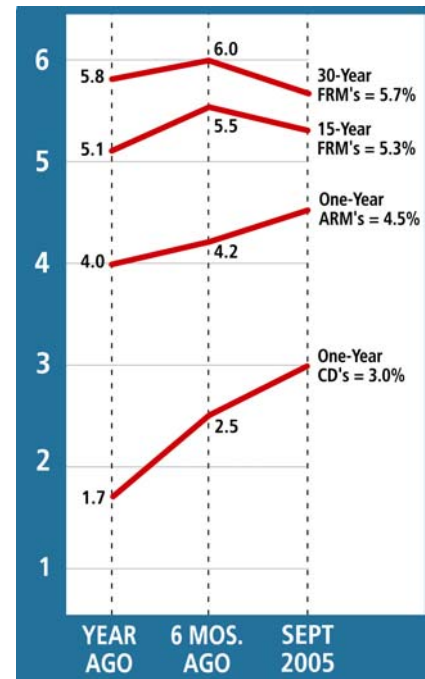
clarify priorities now than later. Once you've prioritized your goals,

it's time to figure out how much money they will require.

The future will come whether you plan for it or not. Will you have the future you want or the future that happens to you by default?

—Bill Bachrach, Author of *Values-Based Financial Planning*

Rate trends over the past year as of Sept. 2005



FRM = Fixed Rate Mortgage
ARM = Adjustable Rate Mortgage

Key Interest Rates At A Glance

"You can't use up creativity.

The more you use, the more you have."

—Maya Angelou

Condition, Condition, Condition

We have all heard the importance of “location” and “condition” as major factors affecting the selling price of a house. While you can’t change the location there are a lot of simple things that will improve the condition and appearance of a house. Most buyers want a ready-to-move-in house. The following will help to make a house more salable at top dollar:

Painting – not expensive if you do it yourself or just touch up...use neutral colors.



Repairs – toilets that run; doors/locks that stick; faucets that leak etc...fix them yourself or hire a handyman.

Cleaning – not expensive...do it yourself or hire a cleaning service... make everything look clean and shiny and with a pleasant odor.

Organize – remove the clutter and arrange things to give space for the buyer to see their things fitting into that space.

Home Is A “Friendly House”

The U.S. government’s “administration on aging” projects 70 million baby boomers will be heading into retirement in the near future. Accordingly, The National Association Of Homebuilders (NAHB) is anticipating a growth in unique home improvements that are accommodations to this population group. These improvements primarily focus on the activities of: getting in and out of the house; getting in and out of the bathroom; and getting up and down stairs. NAHB has a designation earned by builders and designers called CAPS (Certified Aging-In-Place Specialist). This CAPS certification is earned by completing a course in “Universal Design.” For information on the CAPS program, go to www.NAHB.org and enter CAPS in the search box, then click on *Hire a Certified Aging-In-Place Specialist (CAPS)*.



Median Home Prices Rise

According to the National Association of Realtors (NAR) the national median existing-home price was \$208,500 in the second quarter of 2005. This was an increase of 13.6% from 2004. The Federal Home Loan Mortgage Corporation (Freddie Mac) reports that during the second quarter many borrowers were able to refinance at a lower rate and 74% of mortgage refinances were “cash-out refinancings.” (With a cash-out refinancing, the homeowner refinances a mortgage for more than what is owed and pockets the difference).

How Long For An Investment to Double?

Albert Einstein is credited with discovering the compound interest rule of 72. Referring to compound interest, Albert Einstein is quoted as saying: “It is the greatest mathematical discovery of all time.”

Suppose you have \$1000 deposited in an account and it earns 6% interest. 72 divided by 6 equals 12. Thus, it will take 12 years for your \$1000 to double to \$2000 if you don’t make any additional deposits. Remember: 72 divided by the interest rate is the number of years it takes to double the initial amount.

Auto Travel Savings Tips

Gasoline “miles per gallon” ratings and gasoline “costs per gallon” are bigger news than ever. The *Consumer Reports Magazine* has rated the best and the worst overall fuel economy by vehicles and their class. Some tips on how to save money on auto travel...be skeptical of EPA ratings; buy regular gas if your car manual doesn't specify; “chain” several errands into a single trip; avoid “highway drag” by not carrying things on top; keep your vehicle in top shape; and avoid hard acceleration and braking. Go to **www.consumerreports.org** and type *fuel economy* in the search box.



Building a Healthy Life

The Center for Disease Control (CDC) and other health experts recommend that adults get 30 minutes of physical activity each day to help prevent heart disease, diabetes, and keep themselves sharp mentally. Some tips are:

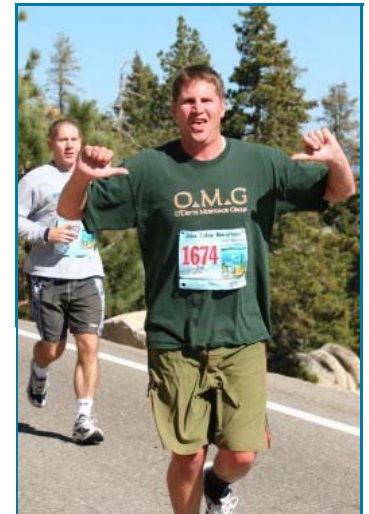
- Walk or cycle to work
- Take the stairs instead of an elevator
- Take a walk instead of a coffee break
- Garden or do chores
- Dance around the house

Tahoe Locals Support OMG in the 10th Annual Lake Tahoe Marathon



West shore local Billy Hauptert (above) waves to his fans as he jogs past beautiful Emerald Bay. Billy finished 15th overall and 4th in his age class in the 1/2 marathon!

Jon Wilson (right) gains strength from his OMG T-shirt as he nears the finish line. This is Jon's second year completing the 1/2 Marathon!



www.laketahomarathon.com

Car “Curtains” Increase Safety

The Insurance Institute for Highway Safety conducts frontal and side-crash tests on a wide variety of vehicles. Their tests have proven that side airbags that protect the torso and side-curtain airbags that protect the head really do work in protecting against serious injury or death. For comparisons of tested vehicles go to **www.iihs.org** or The National Highway Transportation Safety Administration (NHTSA) at **www.safercar.gov**.

The College Web



www.educationplanner.org is an online resource for college-bound students by American Education Services. The site has five sections of guidance on preparing, selecting, applying, deciding and paying (this last section has information on financial aid, work-study programs, education loans and includes a database listing scholarships).

According to the College Board, average tuition costs now range upward from \$12,841 for students attending public colleges and universities and from \$27,677 for private institutions.

How To Get The Best Customer Service

Customer Care Measurement and Consulting is a firm that advises companies on “how to offer the best customer service”. Company president, Scott Broetzmann, suggests the following to consumers:

- State what you want clearly...something repaired, replaced or an apology?
- Focus on one problem and be succinct.
- Stick to what you want and ask for a supervisor if necessary.
- Don't state ultimatums (why would they help you if you won't buy again?).
- Plead your case (if you're a good customer they may be more willing to help you).
- Be pleasant to increase your chances of getting what you want.

Fed Raises Rates for 12th Time

The **Federal Reserve** raised interest rates on Tuesday, Nov. 1 to the highest level in more than four years and indicated that more increases are likely in an effort to keep a lid on inflation. Outgoing Chairman Alan Greenspan and his colleagues voted unanimously to boost the rate banks charge each other by a quarter-point, to 4 percent. It was the 12th increase of that size since the Fed began tightening credit in June 2004. In response, commercial banks began increasing their prime lending rate by a corresponding amount, to 7 percent. These rates are used for many short-term consumer loans, including certain credit cards and popular **home equity lines of credit**. (AP)

A refinance or loan consolidation might be right for you. Call OMG today to lock into a low fixed rate before the next scheduled rate hike by the Federal Reserve. We will likely see 2 more .25% rate hikes in the months to come, bringing the prime lending rate to 7.5%. For a long-term lending solution go to www.omgtahoe.com or call 530-581-5089.