



## **Client Communication Briefing**

March 23, 2009

### **Mortgage Refinancing Time Approaching!**

Last Wednesday, the Federal Reserve announced their intention to buy over a trillion dollars of additional mortgage-backed securities this year. They made a similar pledge for \$500 billion last fall. This continues their efforts to push interest rates lower. The yield on the ten-year Treasury note reacted swiftly dropping almost half a percent within minutes. Mortgage interest rates have started to follow suit as well.

We're currently seeing 30-year mortgage interest rates around 5%. Therefore, it's a good time to start preparing to refinance your mortgage. Several dozen clients contacted us already expressing interest in refinancing their mortgages. If you have not already contacted us but are interested in learning more about refinancing your existing mortgage to take advantage of the declining interest rates, please let us know.

In the meantime, we recommend all of our clients verify their credit scores at each of the three major credit bureaus: TransUnion, Experian and Equifax. You can do this online at [www.annualcreditreport.com](http://www.annualcreditreport.com) and request your credit score from each bureau. If you are a member of Educators Credit Union, you can also contact them for your scores for free. The goal is to have a score of at least 740.

We also recommend this step for clients who are not planning to refinance their mortgage or don't have outstanding loans because credit scores are being used for more than just lending these days such as insurance premiums.

Refinancing debt is one of the three areas of focus this year for us in addition to rebalancing assets and supporting our clients to identify and develop stronger habits around personal sustainability. If you have not attended one of our personal sustainability presentations, we plan to add more so stay tuned for upcoming events.