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**Inside:**

*Gary & Mike do it Sarah Jessica Style!*

# Mortgage Monkey NEWS

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**ASK THE  
 EXPERT**

## ? Gary, my credit sucks. What should I do?



The simple truth in my business is that credit defines your options. If you have perfect credit lenders will give you the most flexibility with loan options and at the best possible rates. A few challenges can have a big impact on the options available to you. Most people know

this on some level and unfortunately many choose simply to ignore their credit because they don't know where to start or what to do to improve it. I feel so strongly about this issue that I have a page on my website specifically dedicated to complicated credit. Unfortunately, there is so much misleading information out there that comes from all sources: friends, relatives, CPAs, attorneys, and more. Sometimes I get very frustrated with the advice I hear people have been given:

1. Your payment amount must be HIGH to matter
2. You need a car loan to build credit
3. Credit cards must have a balance to matter
4. Close all of your old accounts
5. It will all fall off in seven years anyway

When you are working on bouncing back from a bankruptcy or past credit challenges, you need to think of credit like a legal scale: *The good needs to outweigh the bad.* The single most important step to take in rebuilding your credit is making every payment you have on time, every month. Ideally you should have four accounts with 24 months of history on each account. Credit scoring heavily rates account history.



Keeping an established account open will actually **IMPROVE** your score not lower it in most cases. In addition, having a credit card with a zero balance will show the credit bureaus your restraint and those accounts will still report every month. This is called utilization ratio: how much of your available credit is being used. Keeping that percentage low (under 30%) can increase your credit score 30-50 points.

Every person's credit history is unique, like a finger print. That's why I am always happy to sit down with clients to work on what will improve their scores even if they are not thinking of buying a house for a year or more down the road. With the right guidance, I have been able to help many clients qualify for the best possible loans with a little work and fine tuning. I often hear that people don't want to "bother me" because they are not ready to buy. I hope you **WILL** let me help. That's what I'm here for.

**Got a question for Gary?  
 Call him at 503.243.2674**



### THE WORD FROM GARY

Sometimes I think we forget just how great we have it here. Late this spring my Partner Mike and I met several members of his family in New York City for a week of exploring the "Big Apple." It was quite an adventure!



After a couple of hours in traffic from the airport, we finally came into Manhattan through the Lincoln Tunnel right into a massive traffic jam. As the guy in the van next to us got out and not so politely started explaining to people where to take their cars and what to do with their cell phones I leaned over to Mike and said "we're not in Portland anymore!"



I always thought they made the streets look crowded for effect on Law and Order, but there really are that many people on the sidewalks, and driving is considered a full contact sport. We did our best to see it all: Empire State Building, Wall Street, Statue of Liberty, Ellis Island, Tribeca, SOHO, Rockefeller Center, Times Square, Ground Zero, Broadway, and we even managed to get on TV!

As I slept in, Mike was down at the Today Show with his mom, aunt and sister. They got into the front row and my mother-in-law Pam was absolutely thrilled to see Katie Couric before she left the show. Later that same night, Mike and I were on Letterman. Mike was quite proud of being on national TV twice in one day!

My favorite part of NYC was the musicals - I am gay after all! The shows were simply stunning and the venues were so intimate compared to the Keller Auditorium where we usually see Broadway caliber shows. I would go back again someday just to see more theater. My least favorite aspect to the city was the lack of wheelchair accessibility. Mike's mom has emphysema and is on oxygen full time. Some cabs would stop then see her wheelchair and take off. Seeing someone you love get treated that way makes your blood boil. Spending a week in a city with a wheelchair definitely opens your eyes to the challenges anyone with a disability faces doing tasks we take for granted. Whenever you get the chance to hold the door for someone, please trust me they will be extremely grateful.

Mike and I have become quite skilled pushing a wheelchair. I will always love the look on Pam's face when she saw a big curb and knew a wild ride was coming her way to get over it! The part we never counted on was the "golden ticket" aspect - no waiting in lines at the major attractions.

Visiting New York City is an experience that I hope everyone has at some point in their lives simply because seeing is believing. If you ever think about going, drop me a line; I would be happy to offer some advice such as not leaving your backpack on a bus in the middle of Times Square ... but that's another story!

I hope you are having a great summer and experiencing an adventure or two of your own. Please check out how to bounce back from bad credit. There are some tips and advice that everyone could use to help make their credit better. Your referrals are always appreciated and you are always welcome to touch base with me if you need some financial advice - that's what I'm here for.



### Gary's Crystal Ball

One of the questions I have been hearing a lot lately is wondering where the Portland housing market is headed.

Total sales dropped about 8% from a year ago; however year over year appreciation still showed double digit gains throughout the metro area. I believe the good news is that the inventory of available homes is coming into a better balance. I saw many of my clients a year ago simply give up after making 5-10 offers and losing out time and again.

Despite all the news reports you hear about the Federal Reserve raising rates, long-term mortgage rates continue to look very good. Right now 30-year fixed rate loans are stable and under 6.5%. That benchmark may not be used forever because I'm seeing more and more clients looking at 40-year loans! I know that makes some people uncomfortable but over the course of my career I've never had a client who regretted becoming a homeowner. I strongly believe that it's important to explore every possible option for getting your foot in the door. If you have been thinking about it ... there's no time like the present to get started!

