

# Employee Benefits Monthly

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Monthly local offering only given to you; brought to you by Robert and Brian of First Security Loan  
- Offered to employees of Miss Sandie's School, WBE Inc., Novato Unified School District, and the City of Novato

## Welcome to Employee Benefits Monthly....

This is **your** monthly benefits newsletter. Because you are a valued employee, your company is allowing us to offer the below special deals with local merchants. These are discounts not offered to the general public. Below you will find the merchants and their offers as well as your Employee Benefit Card. Please make sure to bring the whole newsletter (or at least page 2) with you when visiting these merchants. The offers will rotate monthly. These offers are being sponsored by Robert Sundberg and Brian Dixon, Real Estate Loan Consultants with First Security Loan of Novato, along with your Employer at NO COST to you. We hope you enjoy and are able to take advantage of this benefit your employer is offering you.

## Loans as financial tools

It seems that most borrowers approach their mortgage in one of two ways. They either look at it as a short term loan until they find the "Dream Home," or they plan to keep it "forever" and own their home free and clear in the future. With a company Pension becoming hard to count on, more and more people are starting to look at the financial planning uses of a mortgage.

Instead of making extra payments on the mortgage to become free and clear, the borrower makes minimal payments. The excess cash flow is used to fund their IRA or 401K, etc. If the borrower has heavy debt, they can payoff debt, as well as fund their retirement account.

The previously mentioned Interest Only loans create an opportunity to free up cash flow to utilize in investments as do the low starting adjustable rate mortgages.

### An example:

Loan for \$400,000 at an interest rate of 6%.  
Let's compare an amortized loan versus 10 year interest only where difference is invested for the 10 years.

Payment on Interest only—\$2,000

Payment on amortized—\$2,398

If you invested the \$398 in an average return as below, here is approximately what it would be worth in 10 years..

5% - \$62,000

10% - \$82,000

15% - 110,000

20% - \$150,000

The amortized loan would be at approximately \$335,000 after 10 years of which \$65,000 of your principal is paid. Taking the \$398 and investing it monthly covers this and more in all but the 5% per year return... Definitely something to look at....

We would be happy to discuss with you how mortgages can be used as a financial tool.....



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**Representing many lenders and 100's of loan programs to fit your Real Estate Finance needs....**



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