

# Real Estate Perspective



By Loretta Arrington Hall

## Mortgage rates hit all time low once again, now is a great time to buy or refinance

Buyers are looking to buy their first home or refinance their existing home will see unusually low mortgage rates. If you are thinking about buying a home there's certainly no reason to hold off doing so... now is the right time to make that purchase decision.

In order to get this kind of low mortgage rate, we would have to go back twenty-two years. Homes are more affordable today with lower interest rates. With the year already off to a good start, financial experts believe mortgage interest rates will remain rosy for most of the year, with the traditional 30-year fixed interest rate mortgage below 7 percent.

For consumers, this drop could mean smaller mortgage payments and many other savings. The mortgage market and housing market started out very slow at the beginning of 1995, and in the spring we had the worst of all worlds; mortgage rates were still relatively high and the economy was slow. However, the market improved as the year progressed. Mortgage rates started declining so that by the end of 1995, we were at levels we had not seen since the end of 1993. A fixed 30-year mortgage dropped from 9.25 percent in early 1995 to 7.25 percent by the end of the year.

Mortgage interest rates continued to slide this year with a 30-year fixed mortgage at slightly under 7 percent. Many experts are predicting that mortgage rates won't go up any time soon; of course no one can be sure of this. However, with fixed rates so low, most borrowers will steer clear of adjustable-rate mortgages and take advantage of 15 and 30 year mortgages, and more homeowners will refinance their mortgages, but not as many as in 1993.

As a result of this good news, there's a lot of low down payment products being offered now where you don't have to put your traditional ten or twenty percent down, and in some rare cases zero percent down. So, 1996 will continue to be a good environment for first-time home buyers. Don't procrastinate, it's a great time to buy or refinance a home!

As always, contact a Licensed Real Estate Professional for all your real estate needs or contact me, Loretta Arrington Hall, c/o REAL ESTATE PERSPECTIVE, Las Vegas Sentinel-Voice newspaper, 900 East Charleston Boulevard, Las Vegas, Nevada 89104, or call (702) 457-4623; Fax (702) 457-0114.

Loretta Arrington Hall, Owner/Broker, Arrington & Associates Real Estate Company.

## MONEY MANAGEMENT

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1040, Schedule B. The investment club itself does not pay taxes.

The expenses incurred by the club to produce or to collect income, to manage investment property, or to determine any tax due also are reported separately. If you itemize your deductions, you may deduct your share of these items on Schedule A as a miscellaneous deduction — this means you may deduct only those qualified costs which, together with other miscellaneous expenses, exceed 2 percent of your adjusted gross income.

### HOW CAN I JOIN AN INVESTMENT CLUB?

Securities and Exchange Commission (SEC) rules prohibit the NAIC and individual clubs from advertising. New members generally learn about clubs by word of mouth. Most clubs like to keep their membership relatively small. The NAIC provides a free information kit on how to form a club, draft a

partnership agreement, conduct monthly meetings, and establish an accounting system. The NAIC also provides information on how to research stocks.

CPAs say that investment clubs are a good way to sharpen your investment expertise. For more information, contact the National Association of Investors Corporation at P.O. Box 220, Royal Oak, MI 48068, or call 810-583-6242.

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## SNEC

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Development/Incentive category is to provide new loans to qualified small businesses located within and doing business in the designated Enterprise Community and to create marketing materials for the Enterprise Community. The proposal is in the amount of \$850,000.

**Education and Job Training:** Education and Job Training was approved for \$500,000 to equip residents with the necessary technical skills and teach positive attitudes to become productive contributors to the local economy and

community. Customized job training will enable the Enterprise Community employers to develop the skills they need in their workers.

**Community Services:** Community Services was allocated \$500,000 to provide support services such as child care assistance for employers and employees of local businesses in the target community.

**Public Safety/Community Policing:** The category for Public Safety/Community Policing was allocated \$500,000 for customized training by existing organizations for Gang Intervention and for Community-

Oriented Policing. The funds will be used for Metro and North Las Vegas police to coordinate activities that will focus on reducing gang violence and crime in the Enterprise area; with an overall goal of making the area safer and more attractive to prospective businesses seeking to locate in those neighborhoods.

**Small Business Development/Business Incubator:** The allocation of funds for Small Business Development/Business Incubator category is \$600,000. The appeal of incubators lies in the affordable rents, flexible leases, administrative services and shared office

equipment and it allows new and growing firms to operate under one roof. Through these attractive incentives, small businesses will be able to sustain their livelihood while at the same time gaining valuable experience from fellow business incubator tenants.

According to Mayor Jan Jones, "In order to fully serve the Enterprise Community, staff solicited extensive community input in an effort to address the many issues that residents voiced. The Enterprise grant funding was allocated among five categories rather than one specific project, allowing us to fund more community projects."

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