

New local online journal offers helpful financial, mortgage advice



Jay Kumar, mortgage broker for Advantage Mortgage Group, has started an online journal that is dedicated to helping the local community learn more about the good, the bad and the ugly aspects of financing.

By Lauren Satterfield
The Lynchburg Times

Recently I have been looking at houses to buy and just seeing what was out there. I have heard many people tell me about how great 'the rates' are right now and that now is the time to get out there and either buy a house or refinance.

However, when it comes time to sit down and talk serious about getting a loan, I do not know a lot about getting a mortgage. That is an issue, because there are many people out in the world that want to dupe me and make me spend more money that I should.

Luckily, while talking to one of many mortgage brokers I was directed to a website blog that was filled with many ideas and much advice about what to do and what not to do when it comes to finances.

I was amazed. Here was real valuable information that I could understand.

Jay Kumar, mortgage broker of Advantage Mortgage Group located in Wyndhurst, was extremely helpful with the information that I needed to know before I signed anything containing a loan. I sat eagerly with pen and paper as he kept giving me better insight as to what I needed to have, and how to obtain it.

A graduate of NC State, Kumar has lived in Lynchburg since 1998. His blog is inspired by working in the mortgage business for a long time and a desire to teach individuals about the process of loans and what to watch out for. "I have a strong desire to help educate people about financial matters especially when it comes to managing credit and minimizing debt," Kumar said.

Kumar then directed me to his blog, showing me all the entries that he had, and told me to read all of them, because each one has really good information about the rules and cautions of financing and getting loans.

The first blog that I opened was titled 'Are you drowning in credit card debt?'. I immediately opened it up and read through it. The blog is not very long, about 4 to five paragraphs, and can be read in about five to ten minutes if you are reading slowly and trying to understand it all. The best thing about it is that the author Kumar speaks in normal everyday English without throwing around any fancy words, so that the reader can really understand how to go about finances. For instance an excerpt of the credit card debt article says, "First of all, you need to get angry at your debt. You need to mentally go to war with your debt and this means you stop putting fuel into this fire. Take those cards out of your wallet or pocket book and put them away. Ask a close friend to keep them for you. Better yet, put them in a bowl of water and put it in the freezer. It may seem childish but it keeps you from grabbing it next time you go out the door. Go to a cash-only system until you have killed the debt," Kumar writes.

Easy to read right? I was amazed at how much I understood about finances, and put that knowledge to work right away.

Another great blog entry is 'The best way to finance a car'. Kumar keeps his writing down to earth as he begins by saying, "Financing a car can be done in many ways but the most common way is to let the dealer do it. Keep in mind, though, convenience will cost you. The dealer will make a profit if he finds you financing. Don't fall for the zero percent because there is no free money out there. The dealer is there to make money not to do you any favors."

With Kumar's blog he is not trying to

prove anything, but rather trying to inform about what is good and what is not good when it comes to finances.

One last blog entry is about how to spend less. This may seem less interesting than the other ones that include more serious financial information, but even this blog is extremely helpful and can give you a couple of tips about what you were not doing so that you can cut back on your spending and put that money to good use elsewhere. A few good tips that I have chosen are, "Avoid shopping when you're hungry. This will cause you to buy more food than you actually need to. Shop with a small calculator. This will allow you to add up how much you have spent as you shop. Avoid purchasing non-grocery items such as shampoo at a grocery store. These items generally have a much higher mark up at grocery stores. Need a haircut or want a massage? Go to a local beauty or massage school. They charge less than half price. Also, don't forget to floss and brush regularly and wash hands before eating. Doctors and dentists are not cheap,"

Kumar plans to write at least 5 to 10 blogs a month. "Every time I get off the phone with a customer I end up with ideas for blog topics," Kumar says. His blogs come from 30 years of experience and over 300 mortgage transactions.

Kumar offers his best advice for new home buyers and refinancing. "For first time home buyers it is very important to sit down with a mortgage professional months before buying a house. Underwriting guidelines for financing are extremely complex and lenders and being extra cautious these days before they make a loan. Once the loan application is completed, a good loan originator will review the credit report, down payment, closing costs and monthly payment that one can qualify for. Lenders can still qualify people for very high payments but the customer needs to decide what payment they are comfortable with. When you are done with your meeting with the lender you should have a pre-qualification letter which tells your realtor what price house they should help you find."

"On refinance there are two basic types of loans. Rate and term and cash out. There are various reason why people refinance but the most common is to reduce

their rate and payment. A good lender can set you up on a watch list and lock you at a great rate so that you will get the best deal possible. Remember, advertised rates on TV etc. are their to lure you. A person would almost never get that deal. Also, rates can actually change 2-3 times a day and a good lender can watch the movements live an knows how economic news will effect his rate sheet tomorrow. It is usually best to develop a long term relationship with your personal lender so that he is always looking for a way to help you payoff your loan faster," Kumar writes.

You can read up on what you should know by going to www.homefinancing-advantage.com and clicking on the tab 'Jays-blog'. Started on Oct 15th of this year the website is still fairly new, but is constantly growing. Also you can call Kumar at 434-237-7717 or go by his office which is located at 112B Hexham Drive in the Wyndhurst area of Lynchburg.

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