



# STAYING CONNECTED

## News from Family Support

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Greetings! It is hard for me to believe it is almost Summer. I know it has been a while since the last time I connected with most of you. I have been busy learning all about the role I play as Family Support Chair and, believe me, there is a lot to learn! I am excited to announce that we are making steady progress to create a committee that serves you, our partners.

This newsletter is the first of many changes you will

see as Family Support strives to bring you resources and services to empower you to become effective homeowners.

My hope is that this newsletter offers a forum for us to share news and information you can use to smoothly manage homeownership, even in financial times such as the ones we face today.

This first issue is a first step. I hope you join us in making this an effective tool to help you along the

way to become more successful homeowners.

We welcome your feedback, comments, suggestions, and questions!

Wishing you a warm welcome into Summer,

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Family Support Chair  
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## What is Family Support?

### Special points of interest:

- Family Support
- Resources on the web – coming soon!
- New build in Rhinelander

Family Support is the people-to-people partnership that makes Habitat unique as a mortgage lender. This committee provides resources, guidance and education to help build families that are empowered to become successful and independent.

Part of the sweat equity for your home included a series of homeowner programs to guide you through the process of homeownership. As you now realize, there is a lot

to learn and address as a homeowner. We hope to offer further help and guidance via the Family Nurturance Sub-Committee (FNS).

FNS is there to serve you. We want to get to know you, and understand how we can best offer you support right now. Our working motto is "Build SOLID with a Solid Foundation". That foundation is YOU!

Members of FNS will soon meet with you independently to build a new relationship that

strengthens our commitment to service.

We realize that some of you are facing financial or personal challenges that may make it difficult to make ends meet. We hope to offer the support you need with a new Financial Wellness program guided by a professional financial coach, and a series of hands-on workshops focused on areas such as homeowner's insurance.

We welcome your ideas & suggestions!

## Q & A for Homeowners



**Q:** Does Habitat – Northwoods (HFH) require us to use a particular homeowner's insurance provider?

**A:** The simple answer is no. We currently invite you to select your own homeowner's insurance provider.

With that said, remember that, as mortgage payers you are required to have full homeowner's

insurance coverage. This is similar to making payments on a car that is still owned by the bank. In this case, if you owe payments to the bank you must have full insurance coverage to secure that asset in full.

It is the same with your home and HFH. Here, HFH serves as the bank and the asset in question is the current home you make payments on.

It is important to review your homeowner's policy and to understand how to compare prices when you shop. This is your responsibility as the value of your insurance affects your escrow payments as well.

**Do remember that your credit rating can have a large impact on the quotes you receive.**

## Dave Ramsey: Home Sweet Homeowner's Insurance

**"Homeowner's Insurance: This is one safety net you can't do without."**

We all hate insurance — until we need it. We pay and pay and pay premiums, and sometimes we feel insurance-poor. But some insurance you can't afford to be without. Homeowner's insurance is one of those.

If you own a home, hopefully you have an emergency fund to cover three to six months of expenses. If so, then you should look into raising the deductible on your homeowner's policy because it lowers the premium. How do you decide if raising the deductible makes sense for you? Examine the extra risk you're getting ready to take.

Let's say you're going from a \$250 to a \$1,000 deductible. The difference would be \$750. So by raising your premium, you risk having to pay \$750

more out of pocket if something happens to your home. If raising the premium saves you \$30 a year, then it will take you 25 years without a claim to break even. But if you save \$250 a year in premiums, you only have to go three years without a claim to break even. This is a good bet. Look at how much extra risk you are taking. Determine whether you are getting enough savings to justify incurring the risk. Liability on your homeowner's insurance is one of the best buys in the insurance business. It doesn't cost much, so you ought to carry \$500,000 minimum. Trust me: No one sues for just \$250,000. Have at least \$500,000 in liability. Then you are transferring the risk, which makes liability a good buy.

Check your homeowner's policy to make sure you have guaranteed replacement cost insurance. Several years ago, a lot of the major insurance companies did away with guaranteed replacement cost insurance — a policy in which if something happened to your home everything would be replaced no matter what it cost.

The problem? Companies weren't coming back and raising the premiums even though the cost of the house went up, but they still had to replace the home if something happened to it. Now many companies have put a dollar amount on the policy, saying your coverage is for that amount plus a maximum of 25 percent.

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## Homeowner's Insurance *(story from page 2)*

Let's say you bought a \$100,000 home and \$100,000 worth of coverage for it. Then a couple years later, the home's worth grows to \$175,000, but you never changed your policy. You only have \$125,000 worth of coverage. If something bad happened to your home, you'd be \$50,000 in the hole.

Make sure you get replacement cost

insurance. Remember, the reason you have homeowner's insurance is to transfer risk. Make sure your home is totally covered.

*Dave Ramsey's financial advice appears every week in Quick & Simple. He is the host of the nationally syndicated radio program The Dave Ramsey Show and best-selling author of The Total Money Makeover and Financial Peace Revisited.*

Story taken from:  
[www.quickandsimple.com](http://www.quickandsimple.com)



## Ask the Experts

This section will offer you guidance and suggestions directly from experts in the field.

Our resource of expertise continues to grow and I look forward to including their suggestions and answers to your questions.

This section will begin its activity in the next issue so stay tuned!

*Our website continues to undergo updates and improvements, thanks to Andrea, our new Public Relations Chair.*

*Family Support will soon offer tools and useful information through this medium. More on that in the next issue.*

*In the meantime, please visit [www.habitatforhumanitynorthwoods.com](http://www.habitatforhumanitynorthwoods.com) to stay connected!*

## Have you updated your contact information?

Please remember that in order for us to serve you we must be able to contact you!

If you have not yet updated your contact information with our office please do so ASAP.

And please, if you use

email, consider giving us your email address too! This medium facilitates our capacity to offer you electronic information and website links to expand our capacity to serve you.

You can update your information by calling our office (715-356-7203).

You can also include your information with your next payment, or via email at [hfhnwds@dwave.net](mailto:hfhnwds@dwave.net)



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## Did you know...

Did you know that your mortgage payments are due by the 1<sup>st</sup> of every month?

We suspect that the language in the earlier version of our mortgage statements may have created confusion regarding your payment's due date. If you revisit your contract you will see that payments are due on

the 1<sup>st</sup> instead of the 15<sup>th</sup>.

I suspect an important reason why payments are due on the 1<sup>st</sup> is to help us manage our cash flow more effectively.

Most of us receive our paychecks on the 2<sup>nd</sup> and 4<sup>th</sup> week of every month. If your mortgage payment is due on the 1<sup>st</sup>, you just received a paycheck, which then ensures you

have money in the bank to make the payment.

If, instead, you make your payment later, it is easy to have exhausted your cash flow by making other expenses. This will force you to wait until you have money in the bank once again to cover your mortgage payment.

## What is New...

The biggest change you will see this month, besides the inclusion of this newsletter, is a change in the format of our mortgage payments.

Our treasurer, Brenda, has put countless hours into updating our mortgage statements and stream lining our accounting process. This

will help HFH make the management of your mortgage payments simpler and more informative.

We hope you find the new format helpful and user-friendly.

Please feel free to offer your feedback!



## Come build with us!

Our outstanding Construction Committee, led by Pastor Check, is now ready to build house number #17 in Rhinelander. The house will be located at 670 Church Street, which is a new road so it is not yet currently on any maps.

If you are available and interested, please contact Dan, our great volunteer coordinator, at 715-282-6150, or by e-mail at [desiewert@wisconsinpublicservice.com](mailto:desiewert@wisconsinpublicservice.com)

Here is the work schedule for the next few weeks (We will be working from 8:30 am to 3:30 pm on Fridays and Saturdays)

Friday June 24<sup>th</sup> – prepping the exterior walls and building headers

Saturday June 25<sup>th</sup> – building and raising exterior walls

Friday July 1<sup>st</sup> - prepping the interior walls and building door headers

Saturday July 2<sup>nd</sup> – building and raising interior walls

Friday July 8<sup>th</sup> – putting up trusses

Saturday July 9<sup>th</sup> – Sheeting and tar papering the roof

Currently, volunteers need to bring their own food. If you are interested in providing lunches or refreshments for the volunteers please let Dan know so he can schedule the weekend, and give you approximate numbers of volunteers for that day.