

# Refinancing your house may save you money

For the 1.5 million homeowners with mortgage rates of 15 percent or more, now is the time to consider refinancing. Generally speaking, it makes sense to renegotiate your mortgage when rates are at least 2 percent below the rate of your existing loan.

Rates on 30-year fixed-rate mortgages have been consistently 13 percent or less for a number of months. But they may start inching upward before the end of the year.

**PREPAYMENT PENALTY.** The biggest cost of refinancing is often a prepayment penalty written into many mortgages, frequently six months' interest or a fixed percentage of the mortgage itself.

A \$120,000 mortgage might carry a six-month penalty of 16 percent, or



## finances and you

**Sid Mittra**

\$9,600. These penalties are legal in all but a few states, but many institutions will waive them when refinancing their own customers.

**CLOSING COSTS.** If your current lender still holds your mortgage, you may be able to modify the rate without rewriting the loan. But if your mortgage has been sold into secondary market, as often happens, you will have to go through another form of closing.

That means paying fees and processing costs — which average 2.5 percent of the loan — again.

**HOW MUCH YOU SAVE.** At 2.5 percent, closing costs for a \$80,000 mortgage would be \$1,500. With a mortgage rate of 12.5 percent, you could recover the refinancing charges in little more than a year.

The accompanying table shows the savings involved in refinancing a range

of mortgages of \$80,000 and \$120,000 at 12.5 percent for 30 years.

The table assumes no prepayment penalty. If the penalty rate is 15 percent on a \$80,000 mortgage, add six months' interest — \$4,500 — to the refinancing charge. That quadruples the recovery time to 50 months.

"What Can You Do Now to Benefit from the Proposed Tax Change?" is the main topic for a seminar to be conducted by the Observer & Eccentric Newspapers and the Coordinated Financial Planning staff. The seminar will be held 7-9:30 p.m. Tuesday, Dec. 10, at the Bloomfield Township Library, 1099 Lone Pine, Bloomfield Hills. The seminar is free, but registra-

original rate	\$80,000 mortgage			\$120,000 mortgage		
	payment	old	new	payment	old	new
15.0%	\$759	\$840	\$1,428	\$1,517	\$1,281	\$2,832
15.5	783	840	1,716	1,585	1,281	3,408
16.0	807	840	2,004	1,614	1,281	3,996
16.5	831	840	2,292	1,682	1,281	4,572
17.0	855	840	2,580	1,711	1,281	5,160

tion is required. Call 643-8888 for registration.

Sid Mittra is director, personal fi-

nanacial planning program at Oakland University, and president of Coordinated Financial Planning Inc. of Troy.

## business people

Dianne M. Scaley has been promoted to vice president of education with Real Estate One in Farmington Hills. Scaley has served in many real estate capacities, including as past president of the North Oakland County Board of Realtors, former director of the Michigan Association of Realtors and membership chairman for the Michigan Chapter of the Women's Council of Realtors.

Paul Smith of Birmingham has been named assistant vice president of First Financial Mortgage Corp. in Southfield.

Ron Milliman has been named director of correspondent development at First Financial Mortgage Corp. in Southfield.

Will M. Caldwell of West Bloomfield, executive vice president and chief financial officer of Ford Motor Co., will retire at the end of 1985. Caldwell began his Ford career with the finance staff in 1952. He was elected an executive vice president and appointed to his present position in 1971. Allan D. Gilmore will succeed Caldwell as chief financial officer. Peter J. Pestillo, vice president-employee relations, will become vice president-employee and external affairs, succeeding Gilmore.

Karin M. Anderson of Bloomfield Hills has been named director of market research for Independence Health Plan in Southfield.

Burton W. Carlson Jr., of West



P. Smith



Milliman



Caldwell



Anderson

Bloomfield has been named to head Arthur Andersen & Co.'s capital recovery tax practice specialty group.

Lyle F. Dahlberg of Bloomfield Hills has been named second vice president in National Bank of Detroit's Trust Administration Division.

William H. Farrell of Rochester Hills has been named automotive sales manager of Mantex Corp.

Michelle Gardner Maule of Birmingham has joined Mantx Inc. contractors/engineers in Birmingham as a marketing coordinator.

W. Frank Fountain of Birmingham has been named assistant treasurer of corporate finance at Chrysler Corp.

Donald Woodbridge has been named account manager within the motor vehicle development group at Creative Universal Inc. in Southfield.

John G. Smith of Troy has been named corporate controller of Independence Health Plan Inc. in Southfield.

Richard A. McWhirter was elected senior vice president — finance of Ex-Cell-O Corp. in Troy. Henry E. Gajewski was elected vice president — facilities and operational services. McWhirter joined Ex-Cell-O in 1959 as an accountant and served in several accounting positions, including vice president and controller. Gajewski joined Ex-Cell-O as director — corporate facilities and inventory planning, when McCord Corp. merged with Ex-Cell-O in 1978.

Jay Amestoy of Birmingham has been named manager, public relations for Volkswagen United States Inc. in Troy.

David B. Harries of West Bloomfield has been named manager-advertising



Dahlberg



Fournell



J. Smith



Amestoy



Harries



Dawson

and sales promotion for Abitibi-Price Corp., building products group in Troy.

The following persons have been named to new positions at Rockwell International's Automotive Operations in Troy. They are:

Leonard C. Buckman to director, brake systems development; Nancy B. Cook to director, management and organization development; and Subhash S. Vatsala to director, management information systems.

Marion L. Dawson of Farmington Hills has been named client service manager at Touche Ross.

Margo Rooney Finney of Rochester Hills has joined Stone, August & Co. in Beverly Hills as media supervisor.

Janice Kenyon-Blaahall of Farmington Hills has been named vice president of Yaffe & Co. advertising in Southfield.

Harry Lane of Southfield has earned the Gold award. Lane is new vehicle salesman for Northwestern Dodge Inc., Ferndale.

Kevin F. Walsh of Troy has been named senior vice president at National Bank of Detroit.

Dennis R. Meagher of Troy has been named loan officer at National Bank of Detroit's Eastern Metropolitan Regional Banking Division.

Douglas S. Swanson of Troy has been named investment officer at National Bank of Detroit's Trust Investment Division.

Stephen J. Daczynski has been named vice president-director of development of Schotak Brothers & Co. Inc. in Southfield.

Arthur R. Smith III has been named chief operating officer of the first bus-

ness unit at Percepton in Farmington Hills.

Gregory H. Kandasos has been named director of marketing services at Percepton in Farmington Hills.

Robert S. Vincent of Bloomfield Hills has been named senior vice president of Ceco Communications.

David Gibbons has been named creative director of the video production department at Creative Universal Inc. in Southfield.

Bill Harrison has been named project supervisor within the motor vehicle development group at Creative Universal Inc. in Southfield.

John E. Tobin of Farmington Hills has been named vice president of Damone/Andrew Inc., a real estate and land development company in Troy.

On Sunday, October 27, 1985, **Botsford General Hospital**, in its continuing commitment to community service and the interest of child safety, hosted a Halloween party for younger children. We would like to thank the **3,500** people who joined us at the party, as well as acknowledge the following individuals and organizations for their generous contributions.

Aga Gas, Inc.  
Alex Dolvechio Enterprises & Walter Kutch Company  
Auto Suture Company, Division of U.S. Surgical Corporation  
Binson's Hospital Supplies  
Bomis, Karl, Representing the Burrows Company  
Botsford Garden Club  
Botsford General Hospital Employees  
Botsford Inn, Anhut Hotels Company  
Botsford Guild  
Brodhead Farmington Hills Ladies Auxiliary  
Brodhead Farmington Hills VFW 2269  
Business Products Inc. - CPT  
Butler Paper, Division of G.N.N.  
Canton China and Equipment Company  
Cohen, Irv, Representing Medline  
Community Emergency Medical Service  
Cooper, Adam  
Country Place Women's Club  
Cray Detective Agency, Richard Cray  
Creative Specialties  
Diversified Business Products  
Dolls, Howard, Representing Hill-Rom Company  
Drakeshire Lanes, Arlene Lingle  
Ellis, Beverly, Farmington Hills School System  
Farmington Elks, Roe Abshire

Farmington/Farmington Hills Chamber of Commerce  
Farmington Hills Police Department  
Farmington Nursing Home, Rose Morgan  
Farmington Police Department  
Farmington Rotary Club, James Fahrenkrug  
Fashion Seal  
Ferguson, Hagle, Brassell Construction Company  
Firestone X-Ray Co., Sheldon Onickel, Sales Manager  
Foster Medical Corporation, Mike Gannon  
Fraser, Jack, and Harmony Business Forms, Inc.  
Friends of Botsford  
Glasrock Home Health Care, Connie Henze  
Grant, Jon, Farmington/Farmington Hills Chamber of Commerce  
Green, Donald V., Home Run Baseball  
Hammill Music Inc., Timothy Hoy, President  
Hayes, Vincent, Representing Miles Pharmaceuticals  
Healthco Dental Supply  
Heehey Sundquist Funeral Home  
Holiday Inn, Farmington Hills, Dean King  
Interior Planning & Design, Inc.  
IBM Corporation  
Jones-Zylon, Inc., Don Hasselman, Michigan Sales Representative  
Junior Friends of Botsford  
Kaminski, Dallen & Angela  
Kilner, Thomas, Representing Argyle

K-Mart Corporation, Mr. Dingman, Store Manager  
Kovron, Mike S., Representing Amco  
Kuhlman & Co., Physician and Hospital Distributors  
Kutch, Walter E., Company  
Larson & Harms, P.C., Attorneys at Law  
Lewis, Kevin, Representing the Office Resource Life Systems, Inc.  
Little Professor Book Store, Mr. Underwood  
Lockhart, Doug, Representing Criticon, A Johnson & Johnson Co.  
Lucido, Joseph, Representing Gould  
McCarthy Brothers Company  
Metropolitan National Bank of Farmington  
Michigan National Bank - Farmington  
Mister Bulky's Bulk Foods  
Moore Business Forms & Systems Division, Nell E. Burgess  
Mountain Jacks, Lance Smotherman  
Murray's Discount Auto Stores, Murray Pitt  
Noyer, Tiseo, Hinds, Ltd.  
Oswski, Don, Representing Concord Lab  
Outwater Trane Service Agency  
Pro Medical Supply, Inc.  
Randolph Surgical Supply Company  
Rehmer, Margaret  
Reliable Office Supply Co., Inc.  
Richardson, Mike & Denise

Reliance Forms & Supplies Inc., Jonathan Grant  
Rigoni, Paul A., Representing Siemens  
Roman Terrace Restaurant  
Rossler, Mark & Denise  
Runyon, Julia M., Representing DuPont  
Sellers, Bob, Pontiac, G.M.C., Inc.  
Shile, Fern  
Shile, Pamela Farnsworth  
Shile, William  
Slaughter, Renee  
Smith, H.A., Lumber & Supplies, Inc.  
Soronen, Jody, Farmington/Farmington Hills Chamber of Commerce  
Spagnolo, Sam, Representing Clark Products, Inc.  
Strahan, Jim, Representing White & White  
Surgl-Med, Inc.  
Thompson-Brown Company, Mary Bush  
Vandenberg, Paul J., Representing Vestal Laboratories  
Vanderveen, Kara S., Representing Diversified Products  
Van Dusen, John, Representing Whittaker General Medical  
Vix Vending Company  
Warzaha, Lyle, Representing Vital Signs  
Winsor, Steve, Representing Medline  
White Castle Systems, Inc., Frank Silva  
Wonderland Mall Merchants

**botsford general hospital**

an osteopathic institution serving the community

**BOTSFORD COMMUNITY HEALTH SERVICES**

28050 Grand River Avenue, Farmington Hills, MI 48024

471-8090