

Fall  
2007  
8th Edition

# Sterling Star



## STERLING ACCEPTANCE CORPORATION

### WHAT DEALERS SAY ABOUT WORKING WITH THE STERLING TEAM:

“The service and follow through that Sterling has always provided us since 1992 has been excellent. You always go the extra distance to make sure everyone is happy.”

*Paul Mikulski,  
President,  
J Port/J Boats  
Chesapeake*

ASK  
ABOUT  
OUR  
25 YEAR  
PROGRAM!

### GREETINGS TO EVERYONE FROM STERLING ACCEPTANCE

We are so excited to announce the opening of our newest loan production office in Southern California. Sterling Acceptance is West Coast bound where the weather is always pleasant.

The market appears to be set for rate cuts as Bernanke considers what to do to bolster the US economy. Most economists agree that income and spending growth percentages will continue to decline over the next several months. No one really knows if the FED will have to do more to settle down the credit markets but most agree that the economy is in for a soft landing and not at risk of a full blown recession. That's really good news! The stock market has declined also, but professionals in the market believe that the market was making its normal 10% correction.

As you may know, there has been much in the news about the troubles in the sub-prime housing market. As of yet, yacht financing has NOT been affected. Funds for purchase & refinance are still readily available. The bulk of marine lenders have not participated in the marine / boat sub-prime lending market so portfolios are in excellent shape in terms of delinquency and charge off too.

Interest rates are still in the mid to high 6% range and amortizations are as long as 25 years. We are eager to participate in the upcoming fall boat shows where there promises to be some excellent deals on new & used boats.

Call us today to ask about our fall boat show rates and terms on new, used boats and refinance loans. We truly appreciate your business.

### CURRENT BOAT RATES ARE AS LOW AS 6.50% FIXED

CALL TODAY TO LOCK IN YOUR RATE FOR NEW, USED OR REFINANCE LOANS



L to R: Jen Stephenson, Lydia Phillips, Karen Trostle, Dave Trostle, Sonny Staudinger, Betty Smith.

1-800-525-0554

## UNDERSTANDING AND PROTECTING YOUR CREDIT

What is your credit score? Not exactly the question that you would expect to hear while standing around the office water cooler. But, conversations do circle around the question everyone would like to ask. The topic is engaging, mainly because it generates discussions and produces an exchange of information on this prolific topic which is considered by many, to be your financial DNA.

A credit score is based on a formula calculated from your credit files. This score is the key element in determining your credit worthiness. It opens doors to pre-qualifications, fast approvals, and the best rates available. FICO scoring is one of the more popular scoring models used in determining your credit risk. To qualify for best the rates from lenders, a score of 760 or better is essential. There are three FICO scores for each of the reporting agencies: Experian, TransUnion, and Equifax. The scale runs from 300-850. Factored in this model is information such as payment history (35%), amounts owed (30%), length of credit history (15%), new credit (10%) and types of credit used (10%).

When applying for a loan, your credit report reveals your borrowing activities which include; the types of credit you use, how long your accounts have been open, and whether payments have been made on time. It also discloses to lenders how much credit you've used and whether you're trying to obtain new credit, this facilitates calculating the risk of the loan to the lender which as a result will determine the interest rate and available credit.

It is advantageous to order an annual credit report from each of the credit reporting agencies, and review your information for accuracy. You are entitled by law to receive a free report every 12 months from each of the national credit reporting agencies. You may stagger each of your requests; so that you can obtain

one report every four months from each credit reporting agency - this will enable you to effectively monitor your credit accounts on an ongoing basis. To order your free annual credit report by phone: 877-322-8228 or on line: [www.annualcreditreport.com](http://www.annualcreditreport.com). While reviewing your report, be sure to check inquiries made to your credit because they do affect your score. Inquiries are a subset of the "New Credit" category. The source of the inquiry may be listed on your report, but not all inquiries affect your score. In general, inquiries made by you directly to see your own credit report, or by an employer or other businesses with which you have not applied for credit do not have an effect on your score. Credit grantors update information with credit reporting agencies about every 30 days. It is a good idea to take a proactive approach when any changes or corrections need to be made to your credit report by providing the information directly to the credit reporting agency, as opposed to allowing the credit grantor to do so on your behalf, because the information may take up to 60 days to reflect on your credit report. In addition if any liens or judgments have been satisfied they will remain on your report for up to ten years unless you request for them to be removed, then they will only remain for seven years.

It is important to know your score in order to maintain or improve it. There are a number of steps you can take if your score has been adversely affected. Limit the number of accounts you apply for and open. Repay your accounts on time. Try to keep your balances on credit cards & revolving credit below 25% of your overall available credit. If you have a relatively small dispute with an account, such as medical or with a utility company, you may choose pay it off, rather than keeping it open while you resolve the matter, which in turn would result in a delinquency over time, this small amount in question, may unfavorably impact your score. The good news is, that even though you may have had challenges in the past with your credit, more often than not, you can repair your credit in 1-2 years.

Another crucial reason to actively monitor your credit report is to protect your identity. In years past, identity theft was a crime committed more like depicted in the 2002 movie, "Catch Me If You Can" a true story, which takes place in the 1960's where a person successfully stole millions of dollars impersonating various individuals. Now, Identity Theft is considered to be the white collar crime of the Millennium. Technology and automation have perpetuated the problem. The launch of the World Wide Web in 1989 opened up more opportunities to commit identity theft with personal and financial information being transmitted through the internet.

Since 2003 when Citibank put out the hilarious & ingenious commercials demonstrating ways victims have been affected by identity theft, it captured the attention of many Americans and as a result, it created a great deal of "buzz" and awareness on this

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**New & Used • 20 Year Terms  
No Prepayment Penalties  
Corporate Ownership  
Repower Financing**

**Take to the high skies with low rate  
financing from Sterling® Acceptance  
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prevalent and destructive crime. Identity theft can happen to anyone. Recent surveys show that about 8.4 million Americans or about 1 in 27 people have become victims in 2007. You can, however safe guard your personal information to reduce the risk and help prevent the devastating financial and emotional experience that Identity Theft can bring.

The following tips will help you to protect your personal and financial information:

- Contact your creditors if you are moving.
- Pick up your mail as soon as possible.
- Actively monitor your all your credit accounts including bank accounts to ensure your balances & withdrawals are accurate.
- Install and update firewall and virus protection on your home computer.
- When shopping on line look for the Trust-e symbol or a Better Business Bureau on line seal and use websites that offer a privacy policy.
- Make sure that on line purchases are handled through a secure site or in an encrypted mode; the website will begin with **https** instead of **http**.
- Use a credit card instead of a debit card. Credit cards offer more protection.
- Do not open files sent to you by strangers.
- Before throwing away a computer, discard all personal information from its hard drive by using a strong “wipe” utility program.

- Shred all personal & financial information.
- Do not provide any personal information to a person over the telephone.
- Avoid carrying your social security card and driver’s license together. Whenever possible, avoid using your social security number as your account number.
- When creating a passwords and pins avoid using your date of birth, last four digits of your social security number or any part of your name, a relative or pet’s names, or any consecutive numbers or letters. Try something creative & unique to you, with numbers mixed in. Memorize your passwords; do not carry them with you.
- If you live in a state that issues the SSN as the driver’s license number, you may, in most cases request a different number.
- Enroll in Identity Theft Protection – this service will alert you of any activity or changes to your credit report.
- Remove your name from mail marketing lists at: [www.dmaconsumers.org/cgi/offmailinglist](http://www.dmaconsumers.org/cgi/offmailinglist). Online opt-out program costs \$1 by credit card.
- Opt out of pre-approved offers of credit for all three credit bureaus - opt-out online at: [www.optoutprescreen.com](http://www.optoutprescreen.com).
- Remove your phone number(s) from telemarketing lists - phone the FTC’s Do Not Call Registry: (888) 382-1222.

## SOUTHERN CALIFORNIA OFFICE TO OPEN SOON!



*Penny Boggs*

Yes that is correct – we have expanded WEST! We have been working and planning the opening of our San Diego area location for the past 8 months and are hoping that all licensing will be in place to Open the doors October 1, 2007 or sooner. The office will be located in the quaint village of Coronado Island - where boating is one of the major attractions. Coronado is a short hop over the Bay Bridge to San Diego City waterfront where the boating community

continues. San Diego has been a long time boating community for both Sailing and Power boating, and has hosted the America’s Cup. The new office will be operated by Penny Boggs who will be our Director of West Coast Lending. She has been in the finance industry for over 16 years as a Mortgage Broker and direct lender. Penny brings to the table the expertise of lending and the intimate knowledge of the boating industry in San Diego. She and her husband Gary have been avid boaters for over 20 years and are active in the Coronado Yacht Club.

Should you be moving to the West Coast or looking to purchase a boat there as a second home as many do, keep us in mind. If you have further questions, our new office number in Coronado, CA is **877-777-3731** – give us a call, we are here to serve you with your Yacht Financing needs – now in sunny Southern California!

## GREETINGS FROM THE FLORIDA OFFICE



*Susan Cunningham*

Did you know that every 9 minutes seven Baby Boomers turn 50 years old and will from now until 2014. There were 76 million Boomers (28% of the current American population) born between 1946 and 1964. Dubbed the “Me Generation” this group will be stubborn about giving up their indulgent lifestyle. They will still enjoy their leisure, but may just reduce the number of toys they have. Many of the 900 people moving to Florida every day are retirees. If you are planning to purchase and finance a boat as a primary or secondary residence, it may

be wise to do so prior to retiring while your annual income is at its peak. When considered a second home, the interest paid on boat loans is, in most cases, a deductible expense. With real estate values fluctuating and real estate taxes and insurance at the highest level ever, the yacht as a retirement home may be the most affordable option available.

A positive note for those of you considering the purchase of a new boat this season in the Southeast is that insurance rates are getting back to more reasonable levels. If the storm activity of 2007 stays flat like in 2006, there will be more companies willing to enter the Florida market. Insurance companies already writing in Florida will further expand their capacity as conditions stabilize. With our lower interest rates, a full inventory of new and used vessels, as well as more flexible insurance requirements; this is a wonderful time to shop for a new boat.



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*“We are not just bankers,  
we are boaters, too... and we care.”*

**VISIT OUR WEBSITE FOR AN EASY  
ONLINE APPLICATION!**  
[www.sterlingacceptance.com](http://www.sterlingacceptance.com)

**STERLING® ACCEPTANCE CORP.**  
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Annapolis, Maryland 21401

**SEE US AT THE FOLLOWING BOAT SHOWS:**

**Annapolis Sailboat Show:** Oct. 4-8, 2007  
*Tent F, Booth 22*

**Annapolis Powerboat Show:** Oct. 11-14, 2007  
*Tent F, Booth 7 & 8*

**Ft. Lauderdale International Boat Show:** Oct. 26-30, 2007  
*Booth 33*

**San Diego Boat Show:** Jan. 3-6, 2008

**Baltimore Boat Show:** Jan. 23-2, 2008

**Miami International Boat Show:** Feb. 14-18, 2008

**Palm Beach Boat Show:** Mar. 27-30, 2008  
*Booth 934*

**Bay Bridge Boat Show:** Apr. 24-29, 2008  
*Tent F, Booth 15*

**The Yacht Show at National Harbor:** May 1-4, 2008

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