

MODERN DAY MONEY STORIES TO HELP STAY AHEAD OF THE CURVE

## This Month's Stories

- 1. How many times will the FED hike interest rates in 2022, and how will it affect everyday households?**
- 2. Top 20 metropolitan areas for property value growth.**
- 3. Is it worth getting rid of your credit debt and taking on new mortgage debt while rates are still low?**

### MONTHLY INFLATION COUNT SINCE THE START OF THE PANDEMIC

January 2020 US Dollar Purchasing Power - \$1  
January 2022 US Dollar Purchasing Power - \$0.92

source - U.S. Bureau of Labor Statistics

**Inflationary Purchase  
Power Decrease**

**-7.4%**

## January & February have already seen interest rate hikes, but HOW MANY times will they go up in 2022?



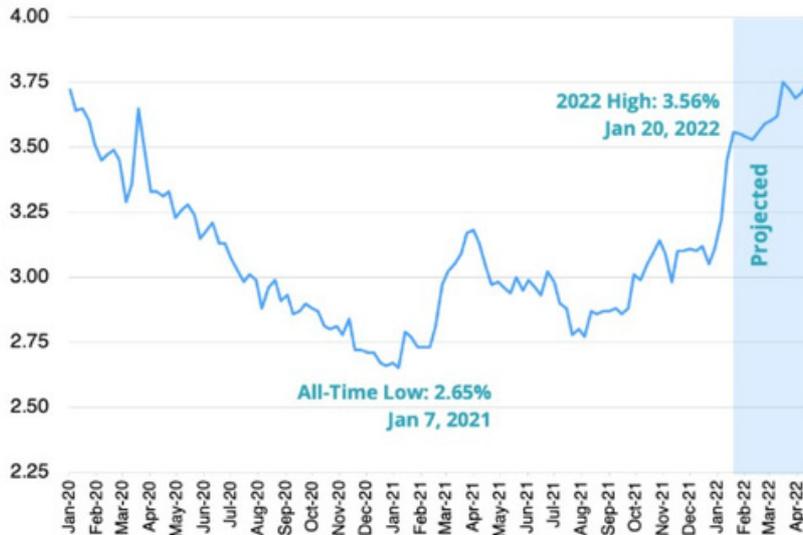
As expected, interest rates have begun to climb. While rates are still at terrific lows, the trend is obvious.

The average 30-year fixed interest rate surged from 3.69% on Feb. 10 to 3.92% on Feb. 17. It marks the highest average since May 2019.

High consumer spending and inflationary pressure drove the latest growth, and we could be in for more of the same in March when the FED meets again. Many experts expect the central bank to raise rates at least four times this year to combat the rising inflation over the past two years.

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continued **Mortgage Rate forecast for Next 90 Days**



Historical Data: Freddie Mac. Projection based on 2022 forecast from 6 housing and financial authorities and the author's view of the market. Disclaimer: Rates are volatile and will probably be drastically different than even the best projections. (c) TheMortgageReports.com

Many forecast the 30-year fixed rate to gradually increase over the course of the year, reaching 4.0% by Q4 2022.

As inflation continues to rise higher than expected, the Federal Reserve is most likely planning on raising short-term interest rates at least a quarter point and maybe even higher.

Those with HELOC's and adjustable rate credit cards will feel it before mortgage holders. This helps the economy to not fall behind on the inflation curve.

**How does this affect everyday households?**

Consumers' and businesses' expectations of price hikes could become permanent, creating a self-fulfilling prophecy. New and used vehicle prices still climb along with food, clothing, personal services (such as haircuts and restaurant dining), gasoline, airfares, and the cost of nursing home care. Rent has started rising more nationwide.



PRIVATE VAULT ACCOUNT

**Interested in an inflation buster?**

Some economists estimate the current inflation rate to be higher than reported and over 6% per year. Holding your savings within a mutual company might be a better alternative than traditional savings account. Contact Chad for details.

## **NEXT MONTH IN THE MARCH ISSUE:**

### **Fed senior officials will soon not be allowed to trade crypto, stocks and bonds**



**Congress had a hearing in early February to discuss the future of cryptocurrency in America.**

**While the focus was primarily on stable coins, we will monitor developments.**

#### **AN INTRODUCTION TO THE NEWSLETTER**

Hello, my name is Chad Mitchell, and I would like to welcome you to the very first issue of my monthly news letter, The Metropolis Monthly. I designed it to share new updates and ideas on our constantly evolving economy and to spark a sense of financial interest in my fellow Americans, especially the middle class.

Like most of us, I started from small beginnings. Back in 1993, at age 16, I worked a \$4.25 per hour minimum wage job to save money for my first car, which cost me \$600 (or over 142 hours at that earning rate).

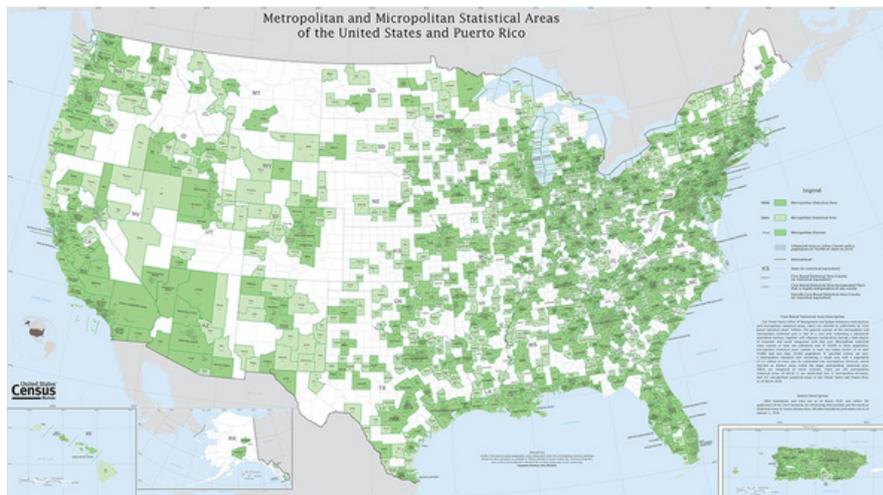
While hard work might teach us the value of a dollar, it does not teach us the best way to save, spend, and maximize that dollar.

Adult financial freedom isn't just for the mega-rich; anyone can learn and benefit. From inflation to interest rate changes to cryptocurrency, we are going to explore all of those topics and many more in the months ahead.



## TOP 20 CITIES WITH THE BIGGEST HOME PRICE GROWTH

- 1 BELLEVUE, WA
- 2 FREMONT, CA
- 3 SCOTTSDALE, AZ
- 4 SAN JOSE, CA
- 5 ROCHESTER, NY
- 6 PEMBROKE PINES, FL
- 7 GLENDALE, CA
- 8 WORCESTER, MA
- 9 BOISE, ID
- 10 PALMDALE, CA



- 11 CHANDLER, AZ
- 12 SURPRISE, AZ
- 13 HUNTINGTON BEACH, CA
- 14 CLEVELAND, OH
- 15 TEMPE, AZ
- 16 ESCONDIDO, CA
- 17 GLENDALE, AZ
- 18 OXNARD, CA
- 19 PROVIDENCE, RI
- 20 ROUND ROCK, TX

source - Forbes.com



me·trop·o·lis

/mə'trəp(ə)ləs/

noun

the capital or chief city of a country or region.

By definition, a Metropolis is a large city, and there are over 384 metropolitan areas in the United States according to Census.gov. While they all have different shapes, sizes, and locations, the one thing they all share, along with rural areas, is that we all use money to navigate through it.

While some might think "Money" is a dirty word or just a piece of paper we use to buy material objects, it is really just storage for our most precious and limited commodity... time. Since many of us spend the majority of our time each week earning money, shouldn't we spend at least a small portion of our time learning how to wisely save and maximize it?

## **IS IT WORTH GETTING RID OF YOUR CREDIT CARD DEBT WHILE MORTGAGE RATES ARE STILL LOW?**

Interest rates are set to increase in nearly every category from mortgages, to credit cards. If you have a home equity line of credit (HELOC) - the interest rate is not fixed. It is important to know that your payment can increase when interest rates rise.

Savers might think twice before locking up money in low-rate CDs in a rising rate environment.

Thanks to rising home values, chances are you've built up a lot of equity in your home over the years. You can tap into this equity in the form of a cash-out mortgage refinance. The cash you take out at closing can be used for virtually anything you want, including paying off credit debt with higher interest rates.

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## Using your home as an asset when interest rates are rising and how to prepare.



According to Fox Business, it might be a good time to put cash you don't need right away into an index fund like the S&P 500, because the reality is companies can raise their prices – and the big companies more than the small companies, and the market valuations will follow inflation up.

It's important to remember that the decision to refinance is not just about jumping at a low-interest rate. You need to take the time to make sure that refinancing makes sense for you personally. Essentially, it's important to make sure that you intend to stay in the home long enough to see significant savings.

Source: foxbusiness.com

## Saving in 2022 doesn't look like it did in 1992. A Private Vault Account might be a good fit for you.



## Thinking of Buying Your First Home?

Call (323) 401-9177  
and get a copy of our eBook



# 5 STAGES OF BUYING A HOUSE

## METROPOLIS MONTHLY ZOOM CALENDAR

February 2022

**Jan 6**

The 5-year  
retirement plan

**Jan 8**

The  
Family Bank

**Jan 10**

Savings Accounts  
for Crypto & Stock  
Traders

**Jan 12**

Refinancing your  
401k

**Jan 14**

Maximizing  
Term-life  
Insurance

**Jan 16**

Capital Accounts  
for Small  
Business Owners

**Do you have an idea for a topic you would like us to discuss in a future issue?**

**email your idea to  
CMitchell@Metropolis-Equity.com.**

## Mitchell's Monthly Rant



The Best time to Plant a tree was 20 years ago. The second best time to plant a tree is today.

Like most of us, I would love to go back five years in time with what I know now, especially since I have acquired two different finance licenses since then and can now offer most "average Joe's" many different savings and lending programs that I did not know existed a half decade ago when I was flipping houses.

If you would like to discuss my generational wealth building savings accounts or a loan program, I am happy to do so, but this letter is not meant to be a sales pitch, nor is it intended to be financial advice.

Adult financial freedom isn't just for the mega-rich; and when our neighbors and family members don't take interest in learning, it eventually affects us all as a country.

Humanity has gone from trading chickens on the barter system, to using tulips as a store of value (shout out to the 17th century Dutchmen), to using gold, to using paper notes, and now to digital currency. This is the most exciting and confusing time in the history of mankind using money in a society. And with the government printing so much money during the pandemic, the mighty US dollar might not remain the global currency forever. Learning about new financial programs is for everyone. Let's learn together.

Thanks for reading the maiden voyage of this newsletter, and I look forward to hearing from anyone that actually made it all the way through it.

*CTM.*