



From the back porch...

A bit of trivia...

Los Angeles' professional basketball team is called the Lakers, even though the LA area is essentially desert terrain with very few, if any, lakes. Do you know why? The Lakers were originally the Minneapolis Lakers, and Minnesota is known as the "land of 10,000 lakes" (though there are actually more than 11,000). When the owners moved the team to LA in 1960, they decided to keep the name.

Joke of the Day...

Joe grew up in a small town, then moved away to attend college and law school. He came home and set up practice in his hometown, but business was very slow at first. One day, he saw a man coming up the sidewalk. He decided to make a big impression on this new client. As the man came to the door, Joe picked up the phone. He motioned the man in, while

saying, "Absolutely not. You tell those clowns in New York I won't settle this case for less than \$1 million. Yes. The appeals court has agreed to hear that case next week. I'll be handling the primary argument, and the other members of my team will provide support. Okay. Tell the DA I'll meet with him next week to discuss the details."

Joe went on for almost five minutes. All the while, the man sat patiently as Joe rattled instructions. Finally, Joe put down the phone and turned to the man.

"I'm sorry for the delay," he said, "but as you can see, I'm very busy. What can I do for you?" The man replied, "I'm from the phone company. I came to hook up your phone."

Food for Thought...

The one thing you can give and still keep is your word. ■

Got a Clue?

We received over a hundred correct answers to our winter puzzler. Give it a try—remember we'll choose one name from all the correct responses for the year, to win one month's mortgage payment courtesy of McCue Mortgage Company. The winner will be notified and published in The Front Porch. You must be a McCue Mortgage customer to win. See our web site for rules.

Email your answer to: puzzle@mccuemortgage.com, and include your name, loan number, address, and phone number.

This Issue's Puzzle:

Complete the following eight words using each letter of the alphabet only once.

_ A _ E R I _ _ _
 _ U _ _ _ E
 _ I _ _ E
 _ _ L _ E R
 _ I _ _ _
 _ _ A P
 B R _ _ _ N
 _ O L _ _ A _

Recent Market Volatility: Cause for Concern or Potential Opportunity?

In the past 2 to 3 years, we've certainly seen tremendous volatility in the equity markets, and many investors are concerned with what the future will bring. Will this year be a repeat of last year, or will the bull market we've grown accustomed to over the last ten years return? No one can say for certain. But to shed some light on this market, let's take a historical review of the equity markets over the last 74 years. Of course, past performance cannot guarantee comparable future results, but if you believe the phrase "history repeats itself," this may ease some of your concerns.

Since 1928 when the S&P 500 Index was created, it has posted positive annual returns in 53 out of 74 years. In other words, the S&P 500 ended the year "up" almost three times as often as it ended "down." In addition, investors have enjoyed double-digit returns in 42 of those 53 years, and returns higher than 20% in 28 years. Pretty impressive.

You are probably thinking: this is great, but what happened in those down years? The S&P 500 Index's 21 down years since 1928 averaged a negative 12.28% annual return. However, the 53 up years averaged 22.18% annual return. In addition, the S&P 500 Index has only had consecutive down years once since World War II.

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Manage Your Debt, Don't Let It Manage You.

At
McCue
Mortgage
we want
to do
what is
best for
you.

After one of the longest, coldest winters here in New England in years, I think it is safe to say spring has finally arrived. It has been a busy winter at McCue Mortgage. We've seen a steady level of new home purchases, and low interest rates continue to drive many homeowners to refinance.

There are many good reasons to refinance. At McCue Mortgage we want to do what is best for you. Many of the short-term reasons are important, but they should be tempered by a long-range plan to get out of debt.

For instance, there are some lenders that will encourage borrowers to refinance to pay off credit cards. While there are certain instances when this might make sense, if it does not, we will be the first to tell you. Imagine going out to dinner, charging it on your credit card, and then refinancing your mortgage to pay off your card's balance. Are you really in better shape, given the fact that you are now financing that dinner over 30 years? A \$50 dinner financed over 30 years...well let's just say you could feed a small army with what it would cost you in the end!

You are a valued customer of the McCue Mortgage Company and, because of that, we are in a position to offer you good sound advice. Beware of lenders who will use any reason to get you to refinance. Chances are they probably don't give a hoot about managing your debt. I hope you call us to discuss your situation and determine if refinancing will benefit you.

At McCue Mortgage, we want to help you get out of debt, not deeper in to it.

Sincerely,
William J. McCue
President
The McCue Mortgage Company

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Summer Family Fun

Protect Your Investment – Freshen Up Your Deck

Puzzler, Trivia and Food for Thought

Protect Your Investment – Freshen Up Your Deck

Summertime means leisure time, and for most homeowners, leisure time involves your deck. Whether your deck is new or old, it's important to care for your deck. If you do it right, you'll only have to refinish it every few years—and it will look great for your summer barbecues. Here are a few tips.

The first and most important step is to prepare the surface. Make sure it's clean and free of oil, dirt, and loose wood particles. Most dirt will come off with a hose, but it's a good idea to use a deck cleaner or "brightener," and a strong-bristled brush. If you need to remove mold, mildew, or algae, use a product, specifically suited to your problem. While plain old chlorine bleach works well on these problems, it can interfere with the adhesion and color of your stain. After you're done cleaning, be sure to wait two to three days for the deck to fully dry prior to waterproofing and/or staining.

An important note on pressure treated lumber, or "PTL." Many decks are made from pressure treated lumber, which is wood that's been injected with copper, chromium, and arsenic (CCA) to resist



A good commercial cleaner combined with a little scrubbing ensure great "before" and "after" results.



Be sure to maintain a "wet edge" while applying stain.



Take your time and follow these steps and you'll do the job as well as any pro.

fungus and insects. If your deck is made from PTL, be careful not to sand the wood—you may inhale the chemicals, which can be dangerous to your health. Also if you're removing all or part of it, never burn or recycle it—take it to a landfill.

Now it's time to choose your coating. There are many products available—anything from clear wood finishes to "new wood" products that will make grayed wood look new again, as well as semi-transparent and solid color stains in many colors. It's important to consider your individual preferences: What color

is your home? Do you like to see the wood grain (use clear or semi-transparent stain), or is that not important (use solid)? Does your deck get full sun? If so, you may want to consider a lighter color stain, which will reflect some of the heat, and will not fade as quickly as a darker stain. (Note: if your deck has already been stained with a solid color, you will need to use another solid color stain.) There are also "oil-based" and "latex" stain products on the market. While many people believe oil-based products are better, today's latex products are just as durable, and are much easier to work with and clean up.

When staining your deck, you can use a brush, roller or a sprayer. If you roll or spray, "backbrush" for a better look. Be careful not to apply too much—you don't want the stain to "pool," but rather to penetrate the wood. Be sure to keep a "wet edge" so you get a nice even coat. Also make sure the weather will cooperate—the temperature should be above 40° F. Avoid direct sunlight, and be sure there is no chance of rain for at least 24 hours.

Now you're done. Get out there and enjoy your "new" deck!

Recent Market Volatility: Cause for Concern or Potential Opportunity?

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So what does this mean for your portfolio? Most importantly, it is essential to invest for the long-term. You are going to hit bumps in the road, but that doesn't mean you stop driving. Patient investors stay focused on long-term goals, not short-term profit or loss. And as long as your investments meet your objectives, the long-term investor need not be concerned. Recent market volatility isn't necessarily a concern, but rather an opportunity. In fact, should history repeat itself, this may be an excellent buying opportunity.

Rebalancing Act: Take Advantage of Volatility

Most financial advisors agree that establishing a well-diversified portfolio is crucial for reducing overall risk. "Rebalancing" is a procedure that ensures your portfolio adheres to your original asset allocation strategy on an ongoing basis. Establishing a well-diversified portfolio is the first step; however the work does not end there. Volatility, account contributions, and asset class returns can cause the mix of stocks, bonds, and cash to "drift" from its target allocation. Therefore, it is helpful to rebalance your portfolio regularly.

Many investors now know what can happen if they let a portfolio run with its

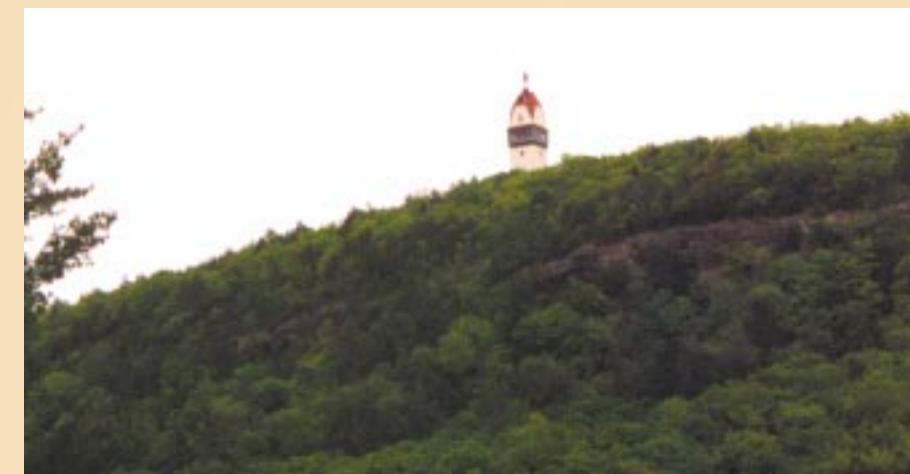
winners – equities generally take on a higher and higher risk because the portfolio becomes over weighted in one asset class. Although there is no guarantee, regular rebalancing can generally lower your portfolio's volatility and you stay within your comfort level.

A nice benefit to rebalancing is that it enforces discipline—the discipline of selling high and buying low! When one asset class has become "over weighted," it has outperformed the other asset classes in the portfolio. By taking some of those profits and reallocating them to areas that have not done as well, you're able to buy into other asset classes at lower prices.

With so many investment options available, it's important to work with your financial professional to develop a well-diversified investment portfolio. Each investor's goals, investment horizon, and comfort level are different. No single investment is likely to be the right match for everyone's needs. ■

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Summer Family Fun



Heublein Tower sits on top of Talcott Mountain.

Summer is a great time to get together with the family and friends and enjoy the warm weather. Just about everyone in Connecticut will appreciate warm summer days even a little more after the endless winter we've just endured!

Here are a few free or low-cost ideas the whole family is sure to enjoy.

Take a hike at Talcott Mountain State Park! Just off Route 185 in Simsbury, the park offers moderate trails and picnic areas, and on a clear day, a view of four states! Once in the park, you'll hike 1.25 miles up King Philip's Trail to Heublein Tower, built in 1914 by Gilbert Heublein. If you're feeling really ambitious, you can climb to the top of the tower for an even better view. It's open Thursday through Sunday from 10 a.m. to 5 p.m. Fortunately, going back, it's downhill all the way! (This is also a great fall foliage hike!) After your hike, reward

yourself with a double-dip of homemade ice cream at Tulmeadow Farms' roadside shop, also in Simsbury, on Route 309.

Check out the Summer Music Festival at Lyman Orchards in Middlefield. This free event runs June 7, 14, 21 and 28 from 3-9 p.m. Bring your own blanket and enjoy the entertainment on two stages, a classic car show, and children's activities. Buy food at the festival or bring your own picnic. Lyman Orchards is at the junction of Routes 147 and 157.

The eighth annual International Festival of Arts & Ideas in New Haven, June 12-28, promises 17 days of theater, music, dance, opera, poetry, puppets, and family activities. The Festival takes place at various locations throughout New Haven, and most events are free. You can obtain a schedule by calling 1-888-ART-IDEA.

To Better Serve You...

If you escrow for taxes, and you receive your real estate tax bill, please forward it to your mortgage servicer promptly to assure your taxes are paid.

1-800-382-0017

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