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# Local Community

## Expert shares money-saving tips after Fed cuts interest rates

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*September 19, 2024 / 4:39 PM EDT / CBS Miami*



(Miami investment banker James Cassel, chairman and cofounder Cassel Salpeter & Co.)

**MIAMI** - One day after the Federal Reserve lowered interest rates, CBS News Miami is exploring how the move can help you save money on loans, credit cards and mortgages.

Miami investment banker Jim Cassel explained how to cash in and save on the expenses weighing you down.

"It pays to refinance and chase it down, which is what people have done," Cassel said.

By "it," he means the rate that affects what is paid for loans. Cassel said he sees Wednesday's decision as an opportunity to adjust student loans, credit card debt and mortgage rates.

"Sometimes, even doing it with the same lender, you can save points, other expenses, legal fees and things," Cassel said. "Pick up the phone and call a lender and negotiate a lower rate."

People were interviewed about the rate change after it was announced.

Before the move by the Fed, residents in Miami also shared their borrowing experiences.

"Buying a house is kind of impossible right now," Brickell resident Fabianny Crespo said. She hopes to one day trade in the apartment life and walk toward Biscayne Bay for a life living in a house with a fence.

"When I came to Miami, a regular salary was enough to cover the basics," Crespo said. "Now you have to struggle with, even with a \$100,000 salary."

Crespo and countless others like her hope a big move could come soon.

"It's extremely hard," said a Miami resident who goes by Cyntrina. "It's very difficult."

Cyntrina said she made a life-changing decision to give up her car and take the bus to save money. However, perhaps the Fed's decision to lower interest rates might help her situation.

"Deals out there that if you want to move from one credit card to another," Cassel said. "Many times not have to pay interest, get a hiatus period, or a lower interest rate."

Besides dealing with debt, Cassel said homeowners should consider locking in a lower mortgage rate to save thousands.

"Personally, I did it three times many years ago," Cassel said. "As we were chasing rates down, my rate ended up at 3%."

Cassel said that can mean savings of thousands of dollars a year for homeowners. It can also be savings on car loans.

And with any big purchase, for a car or a home, Cassel advises to look beyond the rate and at your budget.

"I'm not prepared for that," Crespo said about buying a home. "I'm just trying to increase my salary however I can."

Cassel advises creating an Excel spreadsheet to see if you can afford a significant purchase like a home or car before making a quick decision. And if you're unsure, he said to visit a bank or a qualified lender to help you understand your price range.