

Do You Need A Loan?

The New York City Fair Lending Coalition has a message for all homeowners: Get the facts before you borrow. If you don't, you run the risk of losing your home – or the equity you have in your home – to predatory lending practices.

These practices are transaction- that take advantage of consumers by misleading them about the exact terms and conditions of the loan and committing them to loans they probably won't be able to repay.

Always:

- Shop around to check out your loan choices.
- Be very cautious about lenders, brokers or contractors who come to your door or who are pushy and insistent on the phone. Ask for the information in writing.
- Keep asking questions until you can explain the fees and terms to another person.
- If the loan isn't what you expected or wanted, don't sign. Either negotiate changes or walk away.

Assert Yourself

- Do the math. What will the loan cost you each month? What's the total cost?

- Credit insurance generally is not required. The proceeds usually go to pay off your loan. Ask questions about costs, coverage and circumstances. When would it be used? Does it make sense for your circumstances?

- Remember that you have three days to cancel home improvement contracts. You also have three days to cancel loans if you already own your home and use it as security for your loan.

- Resources are available to help you get the best loan. All you have to do is ask.

Getting a Loan Takes Time and Patience

- Carefully read all the documents and ask someone you trust to look at them for you.
- Don't sign any documents until the blank lines have been filled in.
- Don't sign any document that has false or wrong information.
- Don't let anyone rush you into signing a loan because the offer is good for a "limited" time.
- Don't pay fees in advance for the promise of a loan. Legitimate lenders may ask for fees in advance, but they don't promise or "guarantee" the loan.

- Don't agree to small monthly payments with a large "balloon" payment later on unless you are sure you can pay it. If you can't, you may need another loan at additional cost.

Where to call for help:

To Buy or Refinance Your Home

AARP. AARP is New York's leading organization for people 50 and older. Stopping predatory lending practices with education and passing strong state laws is a national priority of AARP. For help or more information on how to detect fraudulent practices, please call toll-free, 1-800-424-3410 or visit www.AARP.org/homeloans.

Office of the Attorney General of the State of New York.

The Office of the Attorney General investigates and prosecutes patterns and practices of fraud and illegality, including predatory mortgage lending. If you believe that you have been a victim, call toll-free, 1-800-771-7755.

Better Business Bureau. The Better Business Bureau Serving Metro NY has free information on mortgage and real estate brokers, lenders and home contractors, and how to file a complaint against a metro NY company or seek restitution from a company in NY. The BBB also has tips on protecting yourself and your home. Visit www.newyork.bbb.org or write

BBB, 257 Park Avenue South, New York, NY 10010. Or call at 1-900-555-4BBB; calls cost 95 cents a minute (avg. call \$3.80).

The Federal Trade Commission (FTC) Northeast Region.

The FTC works for the consumer to prevent fraudulent, deceptive and unfair business practices in the marketplace and provide information to help consumers spot, stop and avoid them. For publications about home equity loans and other subjects of interest to homeowners and potential homebuyers, call toll-free, 1-877-FTC-HELP or visit www.ftc.gov to file a complaint.

The New York Bankers Association. The New York Bankers Association (NYBA) is proud of its commitment to eradicating predatory lending practices through its active support of and involvement in various community efforts. Call NYBA at 212-297-1635.

The New York State Conference of NAACP

Branches. The New York State Conference of NAACP Branches will hold education forums on predatory lending and distribute our information into several target areas. Call the NAACP at 212-344-4334 for referrals to appropriate institutions for lending and counseling.

The Association of the Bar of the City of New

York. The Association of the Bar of the City of New York offers direct assistance to consumers through its legal referral service, its community programs, and the resources

on its website, including a guide to "How to Get the Help You Need as a Consumer." Call the legal referral service at 212-626-7373 (English) or 212-626-7374 (Spanish). For information about the Association's work, visit www.abcnyc.org.

The New York City Department of Consumer Affairs.

The New York City Department of Consumer Affairs (DCA) investigates and prosecutes deceptive trade practices and licenses several kinds of businesses including, home improvement contractors. Call DCA at 212-487-4444 to check a contractor's license status and complaint history or file a complaint if you believe you have been a victim of a scam. Visit www.nyc.gov/consumers for helpful brochures on home improvement contracts and other topics.

To Help Prevent Foreclosure

Neighborhood Housing Services Home Ownership Center Hotline. 718-230-7610

The New York City Commission on Human Rights.

The New York City Commission on Human Rights enforces the City's laws against discrimination in housing, employment and public accommodations, and works to prevent housing discrimination and promote neighborhood stability through community education and advocacy. The Commission helps homeowners find appropriate foreclosure prevention counseling services. Call 212-306-7422 or 718-230-3600 for a referral.

The Fair Lending Coalition Says:

Resources are available to help you at all stages of the lending process – from researching the options and finding potential lenders to reviewing your documents, managing your payment schedules and avoiding foreclosure. Don't wait until it's too late. It's a smart homeowner who knows to ask for help.