

September 2007



Center For Siouxland

Center For Consumer Credit Counseling

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Just a reminder that statements and newsletters are only sent out on a quarterly basis. If you have questions about this please contact our office.

CWCID SCHEDULE

Pre-registration is required. All classes are held at 5:30 pm. Class Schedules are subject to change, please call ahead. For evening classes, the front doors will be locked at 5:30. If you happen to be late there is a doorbell on the top right hand side of the doors. Please show up a few minutes early. All classes are 1 hour long.

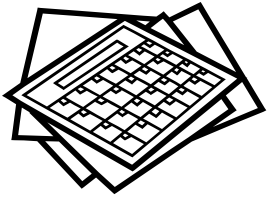
Sioux City Classes

Monday	October 22 nd	Module 4
Monday	Nov. 19 th	Module 1
Monday	Dec. 10 th	Module 2
Monday	January 21 st	Module 3
Monday	Feb. 18 th	Module 4
Monday	March 17 th	Module 1
Monday	April 21 st	Module 2



Weather Related Closings

If Center For Consumer Credit Counseling ever closes due to bad weather, closing information will be announced on local radio and television stations. If you are ever unsure whether our offices are closed, please call ahead.



Dates to Remember

* **CCCC is closed every Thursday from 9:00—10:00**

* **CCCC is closing October 5th at 1:30**

CCCC is closed October 24th from 9:00—10:00

* **CCCC is closed November 22nd**

* **CCCC is closed from 9:00—10:00 November 28th**

* **CCCC is closed December 25th**

* **CCCC is closed from 9:00—10:00 December 26th**

* **CCCC is closed January 1st**

Please remember to send in your creditor statements at least every 3 months. If we do not see your statements regularly we cannot guarantee that you are getting the best possible rates with your creditors.

"No-Equity Loans!" "Consolidate Your Debt!"

Beware: If you "hock your home," you could pay for decades.

The ads can be tempting: The solicitation comes in an official-looking envelope, with a fake check for \$40,000. "Consolidate your debts and lower your monthly payments," it says. "Some credit problems OK." Ads may claim there are "no upfront fees" and tout their "low rates." Former star athletes may tout the benefits of such home equity loans even if you have no equity. They'll make you a home mortgage loan up to 135% of the value of your home! It does sound tempting, especially if you're having debt problems.

Here's the "catch" -- the "savings" from consolidating monthly payments on your debts can be extremely costly over the long haul. For example, ads may claim you could reduce a \$20,000 credit card and car loan debt, with \$709 of monthly payments, to payments of only \$271 per month. The catch is that you would have a high loan-to-value (high-LTV) home equity loan. The problem is, you could be paying off the consolidated debt for 22 years!

Without consolidating these debts through this program, you would be debt-free in three years. With the high-LTV consolidation, you would pay \$271 per month for 22 more years and shell out over \$71,500. (Think about it. It's the year 2023, the car is long gone, and the charges on the credit card debt were for things you enjoyed almost a quarter of a century ago . . . but you are still paying for them!) High loan-to-value loans can be very expensive. Interest rates are high, as are "points" and loan charges, and tax deductibility is limited.

Perhaps even worse, you could be trapped by a high-LTV loan. It is very difficult to get out of a high-LTV home equity loan, for several reasons: Refinancing to a lower rate is hard, since responsible lenders require equity; you can't count on selling the house privately to pay it off, since no buyer wants to pay more than fair market value; and, even if you win the lottery and just want to pay it off, many high-LTV loans try to impose steep prepayment penalties. Even bankruptcy may not be much help if the worst happens. Besides, you're putting your home at risk of foreclosure if you continue to have financial trouble.

Search for a better way. If you are having trouble with existing bills, visit with a good credit counselor for help in getting your debt under control. A counselor may be able to help you negotiate with your existing creditors and help you work out a budget. Don't "bet the roof" on more debt to get you out of financial problems!

For more information, or to file a complaint, contact the Consumer Protection Division, Hoover Building, Des Moines, Iowa 50319. Phone 515-281-5926.