

Financial Advice

Your



PERSONAL FINANCE

By Charles Ross

Couples and Credit

Since more couples are marrying later in life, many of today's newlyweds have a complex financial task before them. They have two incomes, various savings and investment accounts, credit cards and loan obligations. It might seem easier to put all credit accounts in one name, but this leaves one spouse with no current credit record.

Combining credit records could be a disadvantage if a spouse were to apply for individual credit later in life. Couples should maintain at least one separate credit account in each spouse's name.

A couple should weigh the pros and cons of joint accounts. A joint account can make sense if you're applying for a mortgage or a large loan where you can list your joint income.

Married women should always use their own first names when applying for credit.

Alternative Ways to Home-Buying

You may have a decent down payment and a good credit history, but you still can be turned down for a home loan. One possible reason is that you have joined the

ranks of entrepreneurs, commissioned salespeople and others who have lost or changed jobs during the recession and now find it hard to qualify for a conventional loan.

One common alternative plan for buying a home is equity sharing. In an equity-sharing deal, family, friends or investors help with the down payment in exchange for co-ownership in the property. Another alternative is to rent with the option to buy.

With some persistence and creativity, a non-conventional way to home ownership can put your own roof over your head.

Relaxed Rules for Home-buyers

The Federal National Mortgage Association, generally referred to as "Fannie Mae," has added a new twist to its Community Home Buyer's Program which could help many who could never before qualify for a loan.

The program allows borrowers to make a cash down payment of as little as 5 percent of the purchase price. Of that amount, 2 percent can be a gift from relatives or an unsecured loan from a non-profit agency,

such as a church. This means on a first home purchase of \$60,000, a buyer could complete the transaction with as little as \$1,800 of his or her personal money.

Lenders have typically required borrowers to have additional funds set aside for unexpected expenses. But, under the Community Home Buyer's Program, there is no requirement for reserved funds.

For more details on how you can qualify ask your local bank if they are participating in the Community Home Buyers Program.

Hold Those Records

Which tax records can be safely thrown out and which need to be kept? As a rule, all tax records -- copies of completed returns, receipts, canceled checks, W-2s and 1099s -- should be kept at least three years after you file your return. That's how long the IRS generally has to audit your return. Many tax preparers suggest that you hold tax records for at least six years because the statute of limitations stretches to six years if you have understated your income by more than 25 percent.

Keeping your tax

records six years protects you in case you have forgotten to report some income. But if you fail to file a return or file a fraudulent one, no statute of limitations applies and the IRS can come after you anytime.

Women and Social Security

Should women be more concerned than men about Social Security? The answer, for several reasons, is "yes".

First, women, on average, live seven years longer than men, making them more dependent on government retirement benefits. Also, women today are more heavily penalized than men if they keep working while receiving Social Security benefits.

Now is a good time for both women and men to check to be sure that Social Security has recorded all your earnings.

Call your local Social Security office and request an application for a Personal Earnings and Benefit Estimate Statement. This document indicates how long Social Security thinks you've worked, what you've earned and what your projected benefits will be.

If you suspect an error has been made, call your local Social Security office to clear it up.



TAKE YOUR CHOICE SALE

"ONE LOW PRICE, TWO GREAT VEHICLES
#1 CHEVY DEALER IN THE SOUTHEAST

New 1993 Chevy S10

2.8 V6, Air, "Tahoe", Cassette, 5 Speed

\$8995*

7 At This Price



"Sure Thing Savings"

New 1993 Cavalier

2 Door, Air Condition

\$8995*

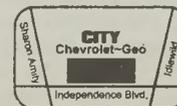
BEST BUY



All rebates to dealer

Sales Hotline

PHONE (704)536-1410 • TOLL FREE (800)868-CITY



5101 E. Independence Blvd. • Charlotte •
Open Weekdays Until 9pm, Saturday Until 6pm