

Credit vs. Cash

about repaying, because if worst comes to worst, the owed amount is deducted from proceeds paid to the beneficiary.

PAWNBROKERS' loans are an expensive way to raise money because a fraction of an item's value is given, hefty interest is charged, and there is a time limit for "getting out of hock" before your possession is sold.

LOAN SHARKS operate outside the law so are an illegitimate source of obtaining money. They are clever at not letting the debt be repaid, so the interest goes on to infinity, and often the borrower does too.

There is a way to cut down on the necessity for borrowing money. Fill in the following chart and see where you can whittle expenses. Figures to the left are averages.

BUDGET WORKSHEET	
Take Home Pay After Taxes:	_____
100%	_____
17% Home Mortgage Payment	_____
7% Business (savings, insurance, investments)	_____
10% Clothing	_____
1% Contributions, Gifts	_____
6% Entertainment (movies, parties, vacation)	_____
23% Food & Non-food (tips, tobacco, liquor)	_____
12% Household (property taxes, utilities, maintenance, & furnishings)	_____
6% Medical & Dental	_____
1% Personal (cleaning & laundry, grooming)	_____
3% Self-improvement (education, hobby, sports)	_____
14% Transportation	_____

If you pare expenses and still need to sign up for credit purchases, keep in mind the following:

RULE #5: IN ADDITION TO YOUR LOAN PAYMENT EACH MONTH, DON'T FORGET TO PUT A TOKEN AMOUNT OF MONEY INTO SAVINGS.

Smart shoppers spend time considering possible purchases before spending their cash.

It pays to ask yourself these questions first:

- Is it current? (Am I dickering for a previous year's model?)
- Is it backed? (Is there a guarantee, warranty or seller's word going for me in case of a problem?)
- Is it indispensable? (Will I live without it?)
- Is it needed? (Do I have something to do the same work or service?)
- Is it priced right? (Do I know the going value?)

About 10% of a family's budget goes for clothing and shoes, statistics show (and 60% of these purchases are selected by the lady of the house.)

The saving of a single percentage point of a year's expenses yields a pretty penny.

Able merchants are rhythmic in the presentation of goods to customers, with offerings put on sale in accordance with annual trade shows, seasonal promotions and manufacturers' advertising.

So time your shopping to sales in one of these categories:

Calendar Sales: regularly scheduled seasonal markdowns . . .

Events: Grand Openings, Going-Out-Of-Business Sales, Pre-Personal Property Tax Sales . . .

Promotions: Special purchase bulk sales including pre-season specials, selected seconds, holiday sales . . .

Even if you never intend to use them, do sign up for charge accounts at various department stores, for many of them mail out "courtesy day" spree bargain notices to charge customers in advance of public advertisements and offer prize drawings, too.



Item:	Month:
Appliances	Jan., July
Carpets, Rugs	May, Sept., Oct.
China	Feb., Oct.
Domestics:	
Blankets	Jan., May, Nov.-Dec.
Draperies	Feb., July
Linens	Jan., May, July
Towels	Jan., May, Aug., Nov.
Furniture	Jan.-Feb., July-Sept., Nov.-Dec.
Housewares	Jan.-Feb., Aug.-Sept.
Paint/Hardware	Nov.
Clothing:	
Children's	Mar., July, Aug., Oct.
Shoes	Jan., Mar., July
Men's	Jan.-Feb., July, Nov.
Suits, Coats	April, Jun., Nov., Dec.
Women's	Jan., April-Aug., Oct.-Dec.
Handbags	Jan., July
Lingerie	Dec.-Jan., May
Adult Shoes	Jan., July, Nov., Dec.
Clearances	after Christmas, Easter and July 4th

Quantity prices on oft-used items may amount to a good investment, but hesitate if the item will spoil or become outdated before being used up.

Don't underestimate coupon redemption. You would require clever manipulation of investment funds to yield 10%, yet a 7¢-off coupon spent on a 35¢ purchase is a 20% saving.

Shoppers who take full advantage

claim to save from 15 to 20% using point-of-purchase coupons, plus another 10% by exchanging purchase proofs for cash.

Rebates are good advertising value for the manufacturer, for these enticements generate lots of purchases—but very few customers mail in the offers before deadline.

Smart shoppers know: **Catalog Shopping** is convenient. Best bargains are in final sales sheets lowering prices from previous "sale" books. "Free shipping" periods are times to buy heavy items.

Discount Stores provide key buys directly from factory oversupplies. New are **Fashion Discount Stores** where overruns of top quality merchandise, including that made from top designers for private labels, are sold at considerable savings. Triple-check prices, for "60% off manufacturer's recommended price" may be more than the same garments cost at an expensive boutique. **Discount Buying Services** garner bulk discounts from manufacturers and wholesalers by securing large orders from among group members. Before joining, check the management's record with the Better Business Bureau.

Estate Sales are household liquidation by executors, turning effects, including collectibles, into cash. Neighbors and "friends" may buy on sale eve; giveaway prices can be negotiated during last hours of final day.

Thrift Shops do not embarrass the serious shopper, for such "closets" sponsored by young matrons' leagues raising money for charity are a "best source" of bargain quality merchandise. Here one finds children's clothing, outgrown before being worn, and designer suits and gowns in new condition. Merchants donate new goods for the tax write-off and advertising exposure. Final day may even include an "all you can put in a sack for \$1" event.

Quality Realty Offers Quality Service

Garland Jones of Quality Realty Co. feels that there are three key words that are stepping stones to success in his business...steering, qualifying and communication.

"Often I've heard people say that they spent the whole day with a realtor who showed them house after house that they didn't like. My attitude is that you talk with people first and get a good idea of the kind of house that turns them on or off and then we'll work from there. Communication is first," said Jones.

Jones said that steering, as in showing people the right home and helping them to secure that home, is second and can only be done by a qualified realtor.

"Choosing a realtor should be done with the same selectivity as you would choose a lawyer or a physician because when you buy a house, you're making the single most important investment that you'll ever make," he said.

"We have a lot to offer people; whatever a customer's needs are, I can work with him."

Give Credit Where It's Due

When you apply for credit, you are protected by the Equal Credit Opportunity Act. This Act makes it unlawful for a bank or other creditor to discourage you from applying for a loan, deny you a loan, or otherwise discriminate against you because of your race, color, religion, sex, marital status, or national origin or because you are an elderly person or receive income from a public assistance program.

A bank or other creditor is permitted to ask about your "creditworthiness"; that is, your ability and willingness to repay a debt. But all applicants must be treated equally.

If you are older than 62 a creditor may not:

—refuse to consider your retirement income in rating your credit application;

—require you to re-apply, change the terms of your account, or close your account just because you reach a certain age or retire; or,

—deny you credit or close an account because credit life insurance or other credit-related insurance is not available to persons your age.

If you are a woman, single or married, a creditor may not:

—refuse to consider

your income because you are a married woman, even if your income is from part-time employment;

—ask about your birth control practices or your plans to have children. A creditor may not assume that you will have children or that your income will be interrupted to do so;

—refuse to consider reliable alimony, child support, or separate maintenance payments. However, you don't have to discuss such income unless you want to improve your chances of getting credit;

—consider whether you have a telephone listing in your own name, because



this would discriminate against married women;

—consider your sex as a factor in deciding whether you are a good credit risk;

—use your marital status to discriminate against you.

If your marital status changes, a creditor may not require you to reapply for credit, change the terms of your account or close your

account, unless there is some indication that you are no longer willing or able to repay your debt. A creditor may ask you to reapply if your ex-husband's income was considered when you were previously given credit.

If Credit is Denied

The law requires that you be notified within 30 days of any action taken on your application. If credit is denied, this notice must be in writing, and it must either give specific reasons for the denial or

tell you of your right to request such an explanation. You have the same rights if a credit account is closed.

If you have any questions or complaints about Equal Opportunity by Federal Deposit Insurance Corporation banks (the FDIC regulates state-chartered banks that are not members of the Federal Reserve System), contact one of the FDIC's 14 Regional Offices, or the Office of Consumer and Compliance Programs in Washington, D.C.

Your complaint or inquiry will receive prompt attention from a Consumer Affairs/Civil Rights Specialist. The toll-free, hot-line number in Washington is 800-424-5488.