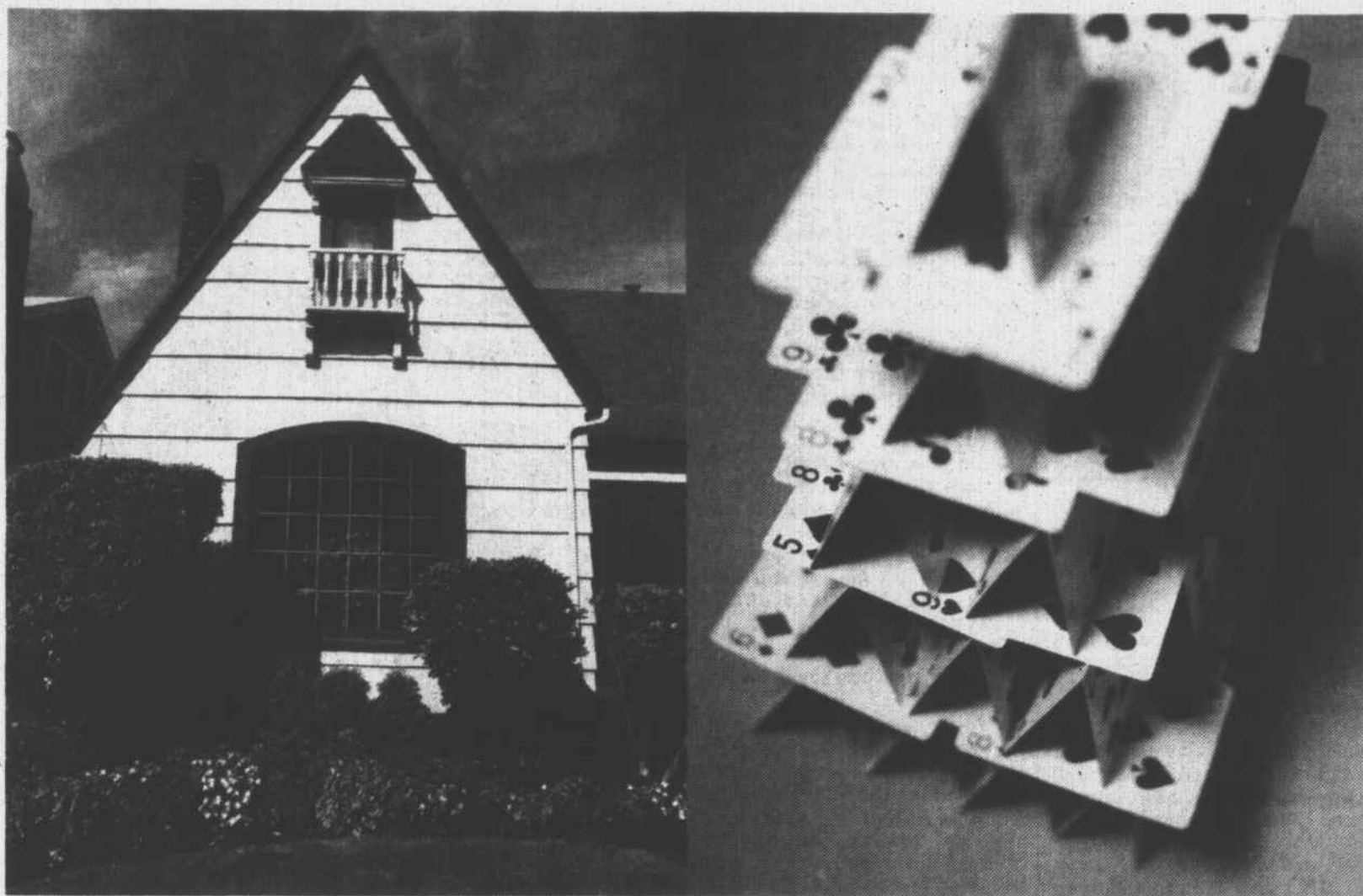


CONSUMER ALERT



Don't let your home become a house of cards.

Your home is probably your most valuable possession. Borrowing money based on the value—or equity—of your home can sometimes be an option for consolidating credit card bills or paying for things like home repairs, medical expenses or college tuition.

Most banks and other financial institutions make home loans available with good terms, low rates and reasonable fees. But some unethical lenders offer mortgage loans that can strip the equity from your home.

These lenders act more like loan sharks, preying on seniors and low-income homeowners.

Attorney General Mike Easley's tips for avoiding home equity scams:

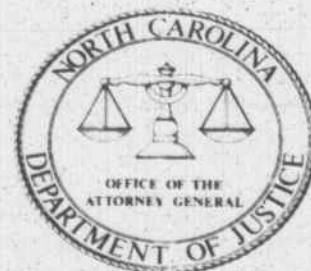
- **Always comparison shop.** Many lenders offer competitive rates and low fees.
- **Don't be pressured to sign.** Take your time and understand the commitment you are making.
- **Ask for help.** Read all items carefully. If you don't fully understand the terms or conditions, talk to someone you trust, such as a knowledgeable friend or an attorney.
- **Shop for credit locally.** Beware of unfamiliar or out-of-state lenders who call on the phone or visit your door.
- **Don't be "flipped".** Some lenders will ask you to refinance over and over, charging fees each time.
- **Beware of "packing".** Expensive extras like credit insurance can add thousands to the cost of your loan.



Attorney General Mike Easley

"Your home is your most important investment. Don't risk it with a quick decision on a loan that you don't fully understand. Don't let your home become a financial house of cards."

— North Carolina Attorney General Mike Easley



Beware of Home Equity Scams.

A Consumer Alert from
North Carolina Attorney General Mike Easley

For more information or to report a home equity scam, call Attorney General Mike Easley's office at 919-716-6001.