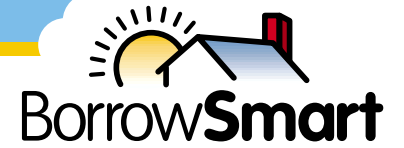
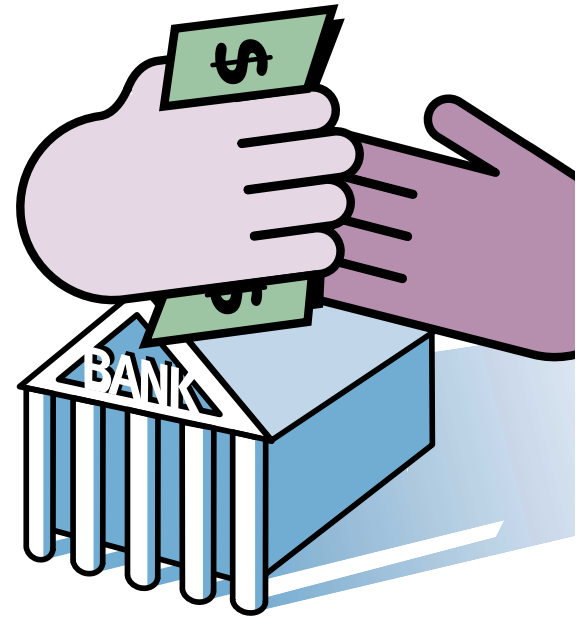


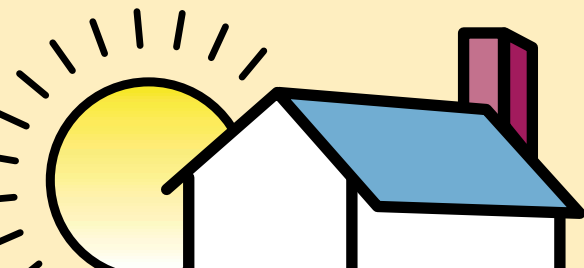
**BorrowSmart Public
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Home Equity Borrowing Tips



BorrowSmart is a nonprofit public education foundation dedicated to helping educate consumers about the risks, rights and responsibilities involved in taking out a home equity loan. Please visit our Web site at www.BorrowSmart.org.



Home Equity Borrowing Tips

1 Borrow within your income and budget.

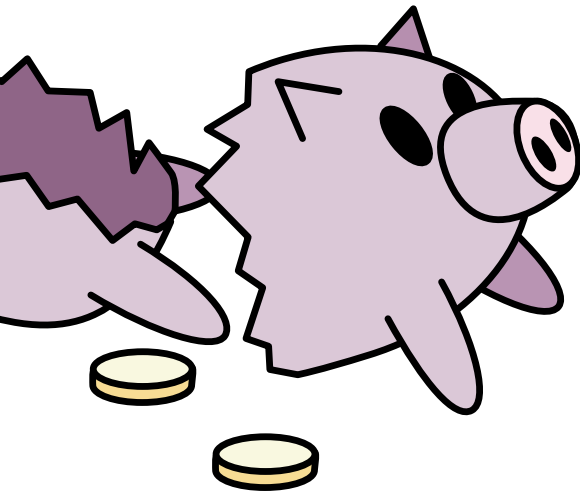
While a home equity loan is a great tool, it is still a major financial undertaking. Make sure you will be able to make your monthly payments on a timely basis in addition to your current obligations.

2 Borrow for necessities and to take advantage of lower rates.

We do not recommend taking out a home equity loan to finance a luxury item or trip.

3 Don't refinance too frequently.

Be aware that refinancing your loan may mean having to pay closing costs and fees again.



4 Beware of door-to-door sales.

An offer that seems too good to be true probably is. Research your lender thoroughly and consult a financial advisor. It is usually better for you to make the initial contact with a lender or home improvement contractor.

5 Know what you're signing.

Read everything carefully and do not sign a loan agreement until you are aware of all your financial obligations. NHEMA suggests consulting with a financial advisor prior to signing any loan agreement.

6 Don't sign blank documents.

Make sure that you only sign a complete and final loan agreement. Don't let someone "take care of things" for you.

7 Don't be pressured.

If for any reason you are unsure about the terms or any other aspect of the home equity loan, take the time to review it and ask questions.

8 You can change your mind.

Even after you have signed the loan agreement, you have up to three days to change your mind and void it.

9 Shop around.

The best deal isn't always the first one you find. This is a big decision, so go to a couple of lenders and compare terms.

- 10 Complain if you think you've been cheated or treated improperly.** Trust your instincts. If you feel something is not quite right, then speak up.



A home equity loan is a big responsibility. If you get into a loan you can't repay, you could lose your house! Get smart before you borrow. Follow these tips. Check out www.BorrowSmart.org. Talk to a credit counselor.