

Tenant Tips

An occasional newsletter to RE-READ to help.

How to Save College Tuition: In-state tuition is less than out-of-state, but AZ, CO, NM and several others allow a student to become in-state rather easily. Look into renting there and registering so as to qualify as instate. Some states give in-state rates to Vets.

Uninsured Motorist Insurance can pay for: 1) your pain and suffering; 2) lost income while off-work recuperating; 3) rent, additional expenses all resulting from being hit by a driver who doesn't have insurance like about 1/4th of drivers! Increasing your coverage to the max. is "cheap" insurance against these losses. Shop around.

2% Rewards on Credit Buys: Though I can't vouch for this, I have heard that PerkStreet.com allows you to have a debit card where you deposit first and then charge up to that limit, which many banks will do. **BUT**, this one allegedly pays you 2% rewards in the form of mastercards you can spend many places on your debit card charges. The Clarke Howard cite given you in prior newsletters has a list of rewarding credit/debit cards, + addresses to rewarding sites. Check it out.

Bankruptcy Avoidance and Survival: **A)** Without CHANGES in spending and saving, BK is worse than worthless as you can't file again for 7 years after a Ch. 7 bankruptcy, and it shows on your credit report for 10 years. Although sometimes, catastrophes like illness, accidents, death, divorce etc. are the sole cause of BK, usually they are not. Don't declare BK until you have a plan for CHANGE and try it out before BK! Ask several BK attys. **B)** I have seen businesses inevitably past the point of no recovery and inevitable bankruptcy years before the owner even know it. Good books of account, monthly comparison of actual expenses and income against a budget, is necessary to foresee looming BK in time to make a change. **C)** Without faith one can't succeed **BUT**, each of us must be practical enough to count our forces/assets before taking on too big a car, house, job, debt, or business. **D)** Inability to save each month is a helpful warning that too much is going out and, or too little is coming in. **E)** Multiple streams of income help.

Before Ch. 7 bankruptcy's 10 year credit-ding, consider:

- 1st- Buy "umbrella insurance" from your current insurance carrier;
- 2nd- Consult with an attorney about asset protection trusts and title changes and other actions to safeguard assets from creditors;
- 3rd - Transfer your assets into exempt assets like retirement plans;
- 4th - Just don't pay your least secured bills as they may never sue, but if they do their judgment can be enforced for 20 years and then you can try the following;

5th - Hire for free one of about 13 federally certified credit counseling agencies who negotiate much smaller payments on credit card, medical bills and unsecured bills, but cancel ALL of your credit cards and in the long-run do NOT save any principal though interest and monthly pay is saved;

6th - Save up the amount you haven't paid until you have a "war chest" to offer in settlement - BUT ONLY SETTLE IN WRITING!;

7th - Don't pay off tax and other non-exempt claims so that in a BK, IRS will have first claim on the BK asset thereby encouraging the trustee of your bankruptcy estate to abandon an asset;

8th - File for Chapter 13 BK which forces creditors to take an installment payment for 3 or 5 years;

9th - Only now seriously consider a "wipe out" Chapter 7 bankruptcy after consultation with an experienced BK attorney even if you can't afford to hire the attorney to actually file the paper work.

Rent Tip: An owner's rent increases are more likely to be bigger for a new tenant than a long-time one. So, moving may increase rent!

How to Pick Honest & Effective Charities: Certifying organizations producing a list: www.charitywatch.org; www.coanet.org; www.forbes.com; www.TheNonProfitTimes.org; www.esfa.org (Evangelical Council For Financial Accountability). There are more. Questions to ask even of your religious charity: 1) Please send me a copy of your tax exemption determination letter from the IRS; 2) Please send me a copy of your auditor's latest audit; 3) what percentage of contributions goes to the actual charitable use and not to overhead? Various choices but: www.grameerfoundation.org OR www.projectenterprise.org though both only in NY city; www.grameer.org (Grameer Bank but site has an alarm: ID theft??) founded by Nobel prize winner for small loans to start very small businesses in India.

Cheaper Small loans: www.Prosper.com; Lendingclub.com. Costs of education: Greennote.com; People2capital.com. If you have located a lender, Lendingkarma.com does paperwork. DO check-out, as I haven't.

You'll Have To Rent a Car Sometime: Only from the rental agency can you buy insurance to pay for the following after an accident in your rental: storage until repaired; transportation from storage to repair shop; rental company's: "lost profit"; "administrative" cost to rental co. for calls etc. about \$1000! "Rental reimbursement" on your own auto policy doesn't cover: renting another car during "scheduled maintenance"; fuel or the above "cost" to the rental agency.