

Welcome to the Freedom Debt Relief monthly newsletter! As part of our ongoing goal to enhance our services, we will be sending you a monthly newsletter filled with interesting articles and helpful financial tips and advice. We hope you enjoy this issue, and that you find the enclosed information helpful as you continue on the road to financial freedom.

## Frugal Green Tips

**Living a “green” lifestyle will help the environment and put more “green” in your wallet**

### “Green”

is a word that refers to so much more than the color of grass or money. It has become a recent buzzword in modern society that defines products, lifestyles, and tasks that are environmentally conscious. Becoming more “green” usually involves consuming fewer resources and can result in saving money on typical household expenses. The tips below list some simple ways that you can “green” your life while putting more “green” in your wallet.

**Clean green.** Many popular household cleaning products sold in stores contain harsh chemicals that pollute the earth and are hazardous to humans. Natural alternatives such as baking soda, white vinegar, and lemon juice are very inexpensive and clean just as well as many brand name cleansers. Visit this link on the Greenpeace web ([www.greenpeace.org/usa/news/green-living-guide/basic-recipes-for-green-clean](http://www.greenpeace.org/usa/news/green-living-guide/basic-recipes-for-green-clean)) for recipes using natural products.

**Conserve water.** According to the Rocky

Mountain Institute (RMI), an organization that focuses on energy policy, a six-minute shower uses 20 gallons of water. Taking short showers can reduce water consumption and your water bill. For less than \$10, RMI also recommends installing an on/off valve between the shower arm and showerhead. This temporarily shuts off the flow while maintaining the temperature. It can be useful when lathering up. For more water conservation tips, visit [www.rmi.org](http://www.rmi.org) and [www.wateruseitwisely.com](http://www.wateruseitwisely.com).

**Recycle.** Many local municipalities require citizens to follow mandatory recycling ordinances. Some states have even given incentives to recycle through RecycleBank. This program gives participants a recycle bin equipped with a unique built-in RFID tag. At pick up, the bins are scanned and users



can receive reward points based on how much they recycle. Visit [www.recyclebank.com](http://www.recyclebank.com) to find out if this program is available in your local area.

**Conserve energy.** Simple tasks such as turning off lights when you leave the room and installing a programmable thermostat can reduce your utility bills and overall energy consumption. When it comes time to buy new appliances, you may consider Energy Star models, which use 10–50% less energy and water than standard models, according to the Energy Star web site. You can visit this site at [www.energystar.gov](http://www.energystar.gov) for more tips on conserving energy.




### Drive greener.

Most green articles urge consumers to purchase a hybrid car. As you strive to settle your debts, buying a new vehicle may not be an option. However, there are other ways that you can “green” your car and save money on transportation costs. For example, you will burn less fuel if you roll down your windows in the summer instead of using air conditioning. Performing routine maintenance on your car may also reduce gas consumption and prevent costly car repairs. According to Treehugger.com, if every driver’s tires were properly inflated, approximately 2 billion gallons of gas would be saved each year. You may also consider relying on your vehicle less by walking short distances or carpooling. Sites such as [www.erideshare.com](http://www.erideshare.com) allows you to search for fellow carpoolers that want to travel in the same direction as you.


## GREEN GREEN GREEN TECH



Some people may associate living green with abandoning all personal possessions and modern technologies to live on a commune. In actuality, some technological advancements can actually help reduce the amount of waste that ends up in landfills. Consider the options below. Keep in mind that the following tips are meant to help you get the most use out of items that you may already own; we are not encouraging you to purchase brand new equipment.

 Go paperless! You can pay bills online, use electronic scheduling software, and send free electronic cards. Before you print, ask yourself if you really need to have a paper copy. Take advantage of organizing important documents using email programs or document folders in your computer system software. You will use less paper and will not have to purchase expensive ink cartridges as often.

 MP3 players come in all price ranges and allow users to download single songs instead of buying expensive individual CDs. You may consider transferring your CD library to MP3 format and resell your CDs on sites such as [www.ebay.com](http://www.ebay.com) and [www.craigslist.org](http://www.craigslist.org). Resell stores such as CD Warehouse may also give you cash for your CDs. Visit [www.cdwarehouse.com](http://www.cdwarehouse.com) for a location near you.

 Remember to properly dispose of your electronic equipment, also known as e-waste. If you can not use it, sell or donate the item. You can also visit [www.earth911.org](http://www.earth911.org) for a recycling or donation center in your area.



## Client Reminders

**Tax Debt?** If you owe money to the IRS and would like information on how to reduce your tax debts, please contact our sister company, Freedom Tax Relief at 1-800-455-6TAX. Our tax attorneys and tax specialists are eager to immediately start helping you resolve your tax troubles. In addition, existing FDR clients are eligible for a \$100 referral bonus if they refer someone to Freedom Tax Relief.

### American Consumers Union

We have recently partnered with the consumer advocacy group, American Consumers Union, in order to provide additional support to our clients with respect to creditor harassment. All FDR clients are automatically given membership into the American Consumers Union, and are given the full use and support of the advocacy group, at no additional charge. This is a terrific benefit for our clients, and we are happy to be able to provide this service to our clients at our expense. You can visit them online at [www.myacu.org](http://www.myacu.org).

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**Customer Service  
Phone Number:  
1-800-655-6303**

**Hours of Operation:  
6:00 AM – 6:00 PM PST**

**E-mail:  
[support@freedomdebtrelief.com](mailto:support@freedomdebtrelief.com)**

# Renting Tips



Despite difficult financial times, the National Multi Housing Council reports that the apartment industry is not affected. In fact, affordable rental units will be coming available as desperate sellers try to rent out units that are just not selling in the current market, according to Bankrate.com, an online financial resource. Therefore, the number of renters is expected to increase. If you are currently renting or expect to sign a lease in the near future, below are some tips that you may want to keep in mind.

**Renting may be a good financial move.** There are many benefits of buying a home. Homeownership has often been equated with the American dream. However, this dream can easily turn into a nightmare for consumers that are not prepared for all

of the costs associated with owning a home. In addition to a mortgage, purchasing a home also involves many other expenses such as maintenance, insurance, and property taxes. As a renter, your landlord or property manager is responsible for fixing major repairs like a broken furnace or a leaky roof. Expenses such as these could really break your budget, especially while you are focusing on settling your debts.

**Read the lease.** If you are required to sign a lease before moving in to an apartment, make sure you read it. Leases usually include quite a few pages of small print and it can be tedious to read. But, keep in mind that you are signing a legal and binding contract and it is beneficial to understand the agreement. Pay close attention to the rent due date, late fees, and the contact

information for repairs. You also want to review the policies on terminating a lease. Most property owners do not make it easy for renters. Make sure you understand the provisions in case circumstances arise that do not allow you to fulfill the terms of the lease.

**Don't alter the property.** The lease should also state what the landlord's rules are on making alterations to the property. One of the downfalls of renting is that most property managers do not allow tenants to paint walls or make permanent changes to rental property without written permission. Even if you do receive written permission to paint, for example, you will usually have to change the color back to the original before you move out, which can be a hassle. Before you make improvements such as install an air conditioner or a dishwasher, consider the fact that you may not be able to take these items with you when you move. This can be an especially costly endeavor if you do not plan to live at the property very long.

**Take care of your property.** When moving in, note any damage that is already visible on the property so you do not get charged for the repair when you move out.

Upon moving out, make sure you leave the rental property in the same condition as when you moved in. For example, clean, vacuum, and fill small holes in the wall with spackle. Many apartment complexes also require that you have the carpets professionally cleaned before moving out. You are more likely to receive the majority of your security deposit, which is usually equivalent to one month's rent, if you follow the move-out instructions.



### Rental Links

- Search commercial web sites such as [www.rent.com](http://www.rent.com), [www.apartments.com](http://www.apartments.com), and [www.rentnet.com](http://www.rentnet.com). All landlords do not place ads for apartments. You may want to drive through your town and look for "For Rent" signs on various properties.
- Tenants review apartment complexes on web sites such as [www.apartmentreviews.net](http://www.apartmentreviews.net) and [www.apartmentratings.com](http://www.apartmentratings.com).



# Make a Credit COMEBACK!

Many classic trends and fashions seem to be reinvented throughout generations. Fabulous fads from the past suddenly resurface and become popular among consumers. At one time, you may have thought that a wallet full of credit cards with high credit lines exemplified style. But when minimum payments skyrocketed or you experienced an emergency, the allure of credit quickly became a fad that you wish would have been buried in a time capsule.

Once you have completed your debt settlement program, you will be one step closer to financial freedom. At this time, you can begin to re-establish your credit and make a credit comeback! Although your rating will not improve overnight, consider the following ideas to rebuild your credit.

**Revolving debt is not in style.** Many consumers realize that fashion and trends are fickle because they can change from month to month. Credit cards make it easy to charge all of the latest gadgets and just pay a low monthly minimum payment. Making this a habit can create costly unwanted debt because of compounding interest. Also, consider the fact that you may still be paying on merchandise that was purchased years ago or that is no longer used. Do you really want to pay for holiday gifts three years from now or clothes that will eventually wear out or become outdated? You can discover the true cost of paying the minimum with this online calculator provided by Bankrate.

com: <http://www.bankrate.com/aff/calc/MinPayment.asp>. When you begin to re-establish your credit, use your credit card so you can show creditors that you can make timely payments. However, only charge items that you can afford to pay in full each month.

**Less is more.** Stuffing your wallet with a deck of credit cards is not very impressive or fashionable. Upon completion of your program, apply for one or two credit cards, perhaps one major card and one department store card. Remember that inquiries appear on your credit report every time you complete a credit card application. Having many recent credit inquiries will usually not improve your credit rating.

**Start slow.** With some fads, you may be unsure if you want to jump on the bandwagon right away. In order to gradually make your credit comeback, you may also want to consider a secured credit card. The credit limit on this card is based on the deposit that you make. For example, if you put \$300 on your credit card account, you will



Before



After

receive a line of credit for \$300. Since a secured card is considered a credit card, maintaining this account with moderate charges and on-time payments may boost your credit rating.

**Some offers only look good on paper.** Did you ever buy a product that looked wonderful in the store, but once you brought it home, it did not perform as well as you would have liked? This idea could also be true of sub-prime credit cards. Upon completion of your debt settlement program, be aware of credit card offers that seem too good to be true. Sub-prime issuers may have lenient approval guidelines, but prey upon individuals with previous credit problems by charging astronomical approval and annual fees. These companies commonly apply these fees to your card. Therefore, you acquire a balance before you make any significant purchases.

**Educate yourself.** Knowledge and education never goes out of style. Become an educated consumer by understanding your credit card agreement. This may involve reading the tedious fine print, but it is beneficial to know your annual percentage rate, due date, late fees, etc. According to a recent survey conducted

by TNS, a market research firm, in partnership with professors from Dartmouth College and Harvard Business School, high levels of debt may be correlated to financial illiteracy. The survey revealed that only 35% of respondents were able to correctly estimate how interest compounds over time and more than half of respondents did not understand how minimum payments are calculated and applied to a principal balance. The American Bankers Association (ABA) has developed a free resource to help consumers make informed choices about credit cards. "Guide to Credit Cards" is available on ABA's Consumer Connection web page at [www.aba.com](http://www.aba.com). Make sure that you also check your credit report frequently. You are entitled to receive a free credit report every year. For more information, visit [www.annualcreditreport.com](http://www.annualcreditreport.com).

**Become a trendsetter.** As a prelude to your comeback, you can become a trendsetter by practicing sensible budgeting techniques while you strive to settle your debts. Your friends and family will hopefully follow you in your footsteps. Discuss with your family members various ways to save money and visit sites for frugal tips such as [www.Bargainist.com/tips](http://www.Bargainist.com/tips), [www.101waystosavemoney.com/](http://www.101waystosavemoney.com/), and [www.mommysavers.com](http://www.mommysavers.com).



## FUN ONLINE MONEY GAMES

Below are some interesting online games that will help introduce kids to the world of money.

**\$** A.G. Edwards, a division of Wachovia Securities, LLC, offers a variety of interesting financial games on their web site. Visit [www.agedwards.com](http://www.agedwards.com), click on the "Investor Education" tab, and then choose "Kids Games" from the bar on the left hand side of the page. You will then see links for several games. The Savings Quest game teaches kids about the importance of budgeting, saving, and earning a pay check. Although it is classified as a children's game, many adults may also find this game interesting. The Star Trader game is for ages 10-adult and gives users the opportunity to choose stocks and play the market.

**\$** As part of their Schwab MoneyWise initiative, Schwab gives teens and young adults an opportunity to see how major life decisions will affect their finances with the "It's Your Life" online game. Visit [www.schwabmoneywise.com](http://www.schwabmoneywise.com) and then click the "It's Your Life" link.

**\$** Planet Orange, an award-winning online game brought to you by ING Direct, educates kids about spending, saving, and investing. Visit [www.orangekids.com](http://www.orangekids.com) and experience a whole new planet.

# Spare Change:

News, financial tips, and other information regarding personal financial freedom



## Private student loans are costly for borrowers.

A new study warns that college students are risking their futures by taking out expensive loans to pay tuition and other expenses. These private loans now account for nearly one in every four dollars of student borrowing. "Paying the Price: The High Cost of Private Student Loans and the Dangers for Student Borrowers," a recent report issued by the National Consumer Law Center (NCLC), finds that private student loans are almost always more expensive than federal loans, especially for borrowers with lower credit

scores or limited credit histories. Private loans also do not have the same range of protections for borrowers that government loans have. For example, private loans are not subject to rate caps backed by most federally funded loans. The survey found that the interest rate on some loans were as high as 19%. Also, issuers of private loans do not offer relief such as forbearance or hardship deferments. For more information, visit the NCLC web site at [www.nclc.org](http://www.nclc.org).

## Consumers save money with coupons.

According to a new poll conducted by the

Consumer Reports National Research Center for ShopSmart magazine, women who use coupons and store-loyalty cards save over 10% a year on groceries, the equivalent of \$678 a year. Consumer Reports also states that consumers can get money-off coupons and free samples from coupon sites such as [www.SmartSource.com](http://www.SmartSource.com), [www.Coupons.com](http://www.Coupons.com) and [www.CoolSavings.com](http://www.CoolSavings.com). You may also find

coupons in product e-mail newsletters and manufacturer web sites. Use store-loyalty cards with those coupons to save even more. You can also visit the web site for ShopSmart magazine at [www.shopsmartmag.org](http://www.shopsmartmag.org) for a variety of money-saving tips and informative articles.

## Credit card reform strives to cease deceptive practices.

As an increasing number

of Americans fall victim to out-of-control credit card costs and as the credit card market begins to resemble the sub-prime mortgage market, U.S. Senator Robert Menendez recently announced a plan to put an end to deceptive practices and irresponsible marketing. The Credit Card Reform Act goes beyond any other current legislative proposal in curtailing skyrocketing interest rates, curbing sudden changes in credit card agreements, and restricting issuance of cards to consumers who don't have the ability to make payments. More specifically, the act will prohibit practices such as universal default and retroactive rate increases. Card companies will also have to receive an opt-in approval form from consumers under the age of 21 before they can mail this age group card solicitations. The Credit Card Reform Act has the backing of 11 major consumer groups and unions.

The Freedom Debt Relief newsletter is published by The Premier Institute for Financial Freedom. While articles in this newsletter are factual and accurate, they are not intended to replace the advice of professional financial, accounting, and/or legal advisers. As with all decisions regarding your finances, the advice, techniques, ideas and suggestions offered herein should be followed under the supervision of the appropriate competent professional.



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