

# Consumer Alert

Providing consumers with knowledge to make informed choices and decisions.



## Homebuying101: Bringing consumers closer to the American Dream

Consumers interested in purchasing a home should check out **Homebuying 101: Building Your Foundation for the American Dream**, an educational conference designed to aid consumers entering the homeownership market.

The conference will be held on Wednesday, June 27 at the Brookland Baptist Banquet and Conference Center with registration starting at 8:30 a.m.

The conference will have experts and industry professionals on-hand to answer questions and offer services.

Consumers will have the opportunity to view two of three information sessions related to

home buying. Those three sessions will center on credit reports and scores, credit counseling and debt collection, and a mortgage workshop.

Credit reports and scores will look at the importance of knowing your credit score before making large purchases, like a home, and how to get your credit score for free. Credit counseling and debt collection focuses on repairing bad credit and what to do about debt collectors.

Mortgage 101 takes on the

### The schedule for Homebuying 101 is as follows:

8:30 – 9:00	Registration
9:00 – 9:15	Welcome
9:30 – 11:00	Information Sessions
11:00 – 11:15	Break
11:15 – 12:45	Information Session
1:00 – 2:00	Lunch
2:00 – 3:15	Panel Discussion

intimidating pile of forms homeowners have to tackle before buying a home. The session will help consumers better understand what they're signing, how to shop around for a mortgage, and how to spot mortgage fraud. After a working lunch, a panel discussion will openly discuss government services and products related to home buying.

## Consumer Spirit Awards honor consumer advocates at State House

The South Carolina Department of Consumer Affairs (SCDCA) announced the recipients of the 2007 Consumer Spirit Awards at a State House ceremony.

Brandolyn Thomas Pinkston, SCDCA administrator, and Dr. Lonnie Randolph, Commission Chairman, presented awards to three honorees: Heather Sullivan, WSPA-TV, Spartanburg; Jean

Rinehardt Bridges, West Columbia; and The Honorable Linda Short, State Senator, Chester.

The Consumer Spirit Award was established in 2005 during SCDCA's 30<sup>th</sup> anniversary as a way to honor individuals and organizations that have made a substantial contribution to the

Continued on Page Three



From left to right, Cynthia Dublin, Iris Hill, daughters of Rose Dublin, and award winners Heather Sullivan, Doris Gleason (accepting on behalf of Jean Bridges), Sen. Linda Short, as well as SCDCA Administrator Brandolyn Pinkston pose after the event.



## The Help Desk: *How do I cancel my Private Mortgage Insurance?*

If you're still paying for Private Mortgage Insurance (PMI) you may be wasting hundreds of dollars a year.

PMI is intended to protect the lender if you default on the loan and is often required if you put less than 20 percent down on a home mortgage. The Homeowners Protection Act of establishes rules for automatic termination and borrower cancellation of PMI on home mortgages.

These protections apply to certain home mortgages signed on or after July 29, 1999 for the purchase, initial construction, or refinance of a single-family home. These protections do not apply to government-insured FHA or VA loans or to loans with lender-paid PMI.

For home mortgages signed on or after July 29, 1999, your

PMI must be terminated automatically when you reach 22 percent or by request when you reach 20 percent equity based on the original property value, if your mortgage payments are current. This is the rule except in cases of certain exceptions.

One exception is if your loan is "high-risk." Another is if you have not been current on your payments within the year prior to the time for termination or cancellation. A third is if you have other liens on your property. For these loans, your PMI may continue. Ask your lender or mortgage servicer for more information about these requirements.

If you signed your mortgage before July 29, 1999, you can still ask to have the PMI canceled once you exceed 20 percent equity in your home, but federal

law does not require your lender or mortgage servicer to cancel the insurance.

The savings can be significant. On a \$100,000 loan with 10 percent down (\$10,000), PMI might cost you \$40 a month. If you can cancel the PMI, you can save \$480 a year and many thousands of dollars over the loan. Check your annual escrow account statement or call your lender to find out exactly how much PMI is costing you each year.

Additional things to know about PMI cancellation:

New borrowers covered by the law must be told - at closing and once a year - about PMI termination and cancellation.

Mortgage servicers must provide a telephone number for all their mortgage borrowers to call for information.

### *Got Questions???*

#### **Ask Consumer Affairs with online chatting**

Think you have been a victim of a scam or just need general information about fraud protection? Are you an athlete agent or pre-need burial provider in need of additional instructions about licensing? Or are you a business that has questions about the Buyer Beware list?

Then log on to Ask Consumer Affairs, an interactive forum that provides you with great consumer information.

Visit the South Carolina Department of Consumer Affairs website at [sconsumer.gov](http://sconsumer.gov) and click on LIVE CHAT.

A communication specialist is there to assist you with any questions you may have Monday through Friday from 8:30 a.m. until 5:00 p.m.



#### **After Hours: Identity Theft to be held on June 19**

The South Carolina Department of Consumer Affairs will present a special session of After Hours on *Identity Theft: How to prevent it and what to do if you've been victimized* on June 19.

"After Hours" is an after-business-hours program aimed to educate South Carolina consumers. After Hours is typically held every third Tuesday of the month and features free consumer education seminars.

This month's After Hours will focus on how to avoid being a victim of identity theft. Specialists will be present to give advice on what to do if you feel you have been a victim of identity theft, as well as tips to protect yourself.

After Hours is held at the SCDCA office, 3600 Forest Drive, Columbia. Light refreshments will be served.

## CONTINUED from Page 1: Consumer Spirit Awards honor...

citizens and consumers of South Carolina. The awards program was so well received that DCA staff voted to bring it back and make it an annual event from now on.

Nominations were received from organizations and persons statewide, according to Pinkston. "We're very pleased with the response for this award," she said. "South Carolina citizens are doing a lot to advocate, educate, and help each other in consumer issues."

Dr. Randolph praised volunteers and staff for conceiving an awards program that so accurately reflects the mission of the SCDCA. "One person, one organization, that's all it takes for a positive change to occur," he said. "That's what we're celebrating here - positive impact in the lives of South Carolina consumers."

Heather Sullivan is a weekend anchor for WSPA-TV News Channel 7. Her consumer reports can be seen during the week at 5:00, 5:30, and 6:00 p.m. Previously, Heather was the morning anchor and reporter for WZVN-TV in Fort Myers, Florida, where she won a 2003 Regional Edward R. Murrow Award for her consumer investigative work. Heather also won an Associate Press Award for Best Spot News as morning anchor and reporter in Los Angeles. Heather earned her degree in broadcast journalism and political communication from Emerson College.



**Heather Sullivan**

Jean Rinehardt Bridges serves on the Lt. Governor's Advisory Council on Aging, is a Representative from Lexington County in the Silver Haired Legislature, is leader of the OASIS Fellowship [senior program] with her church, past president of the Greater Columbia AARP Chapter, and serves on the advisory board of the Central Midlands AAA. In 2005, Jean was the recipient of the Jane Kennedy Excellence in Aging Award. On July 28, 2005, Mayor Bob Coble declared Jean Rinehardt Bridges Day on her 75th birthday.



**Jean Bridges**

Sen. Linda Short has served on the S.C. Senate since her election 1992, representing Chester, Fairfield, Union, and York counties. She serves on the Education, Finance, Medical Affairs, Transportation Committees, and has received numerous awards for legislative service including the 2006 South Carolina Association of Non Profit Organization Excellence in Public Service Award, 2006 South Carolina Solicitors Association Award, and 2004 Outstanding Contribution to Women's History Month. Senator Short is currently the only woman serving in the S.C. Senate.



**Linda Short**

## "Late Nights" offers extended hours for more convenience



"Late Nights" allows consumers with especially busy schedules a few extra hours to reach Consumer Affairs.

Office hours are extended from 5:30 p.m. until 7:00 p.m. on the third Tuesday of every month.

The program is designed to give consumers the convenience of after-work hours.

Consumers are welcomed to stop by or call during the additional hours at 803.734.4200 or toll free in S.C. at 1.800.922.1594.

For more information about "Late Nights" please contact the Public Information Division at 803.734.4190.

### S.C. Department of Consumer Affairs Mission and Values Statement:

To protect consumers from inequities in the marketplace through advocacy, mediation, enforcement and education.

The Department strives to be a **CREDIT** to our State by holding the following values as essential in our relationships and decision-making:

- Competence **R**espect **E**quality
- D**edication **I**ntegrity **T**imeliness

### The Commission on Consumer Affairs

- Dr. Lonnie Randolph Jr., Chair, Columbia
- The Honorable Mark Hammond, Secretary of State, Columbia
- Barbara B. League, Greenville
- Louis Mayrant Jr., Pineville
- Rev. Tony Macomson, Cowpens
- Wayne Keith Sims, Columbia
- Wayne Powell, Gaffney
- David Campbell, Columbia
- Carole C. Wells, Woodruff
- Brandolyn Thomas Pinkston, Administrator
- Alice Brooks, Director of Public Information
- Charles Ellison, Editor

About the South Carolina Department of Consumer Affairs:  
Established by the Consumer Protection Code in 1974, the South Carolina Department of Consumer Affairs represents the interest of South Carolina consumers. Our mission is to protect consumers from inequities in the marketplace through advocacy, mediation, enforcement, and education. For more information on the SCDCA, visit [www.sconsumer.gov](http://www.sconsumer.gov).