

Commonwealth

Spring/Summer 2004 #61

Consumer Choice

In theory, consumer choice seems like a fine idea. Each of us makes choices on purchasing items diverse as autos and CD's, furniture and towels, soap and magazines. Put very simply, the marketplace is a realm in which sellers sell and buyers buy.



In reality, things are much more complicated. There

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Our credit union has worked extensively with members who needed to resolve past financial issues.

are instances where sellers deal from the bottom of the deck, and buyers suffer the consequences. Payday loans are one example. Workers unable to easily cash a paycheck turn to a payday shop performing that service for a hefty fee. And there are companies offering

loans in anticipation of a tax refund. They process your tax return, transmit it electronically to the Internal Revenue Service, and provide a PIN number so that you can access refund money right away. Is there a catch? Yes, consumers, many of whom are working poor, pay 25 percent of their tax refunds for this service.

Sadly, some of the worst abuses happen when ordinary Americans with average or below incomes consider buying a home. Over the past decade, the number of sub-prime mortgage loans, loans made to customers perceived as having less than tidy credit histories, exploded as some lenders launched aggressive marketing campaigns in inner-city communities. A study of lending in several Buffalo neighborhoods found that 75 per cent of African Americans borrowers had signed up for sub-prime loans. An investigative article in the New York Times detailed how an unscrupulous lender, selling the dream of home ownership in the Poconos region of Pennsylvania, had blitzed inner-city



OJO!

Nuestra Cooperativa de Crédito trabaja extensivamente con miembros que necesitan resolver asuntos financieros o problemas de crédito pasados. La Cooperativa de Crédito es una buena opción para evitar Compañías Financieras de alto costo y tiendas de rentan con opción de compra.

La Cooperativa de Crédito ofrecerá un Taller en español de "Entendiendo mi Crédito" el día Martes 29 de Junio a las 6:00 pm , en nuestra oficina de 723 Westcott St. Este Taller le dirá, que es lo que usted necesita saber para usar su crédito de una manera correcta, resolver problemas de crédito y establecer un puntaje de crédito que lo pondra a usted en el camino de ser propietario de una casa, comprar el carro que desee , abrir su pequeño negocio y mucho más.

Usando las máquinas de ATM en nuestras oficinas para retiro de efectivo, especialmente durante "horas de congestión" puede ahorrarle tiempo y es GRATIS! SCFCU es también parte de Sharenet, un grupo de Cooperativas de Crédito que comparten ATMs en toda Syracuse.

communities in New York City, persuading dozens of people to sign up for loans they couldn't afford. The dream became a nightmare.

Representatives of the banking industry have pointed out that sub-prime loans aren't necessarily illegal or unethical, that some consumers' only mortgage opportunity is in the sub-prime market, and that it's ridiculous to say all banks act dishonorably in dealing with inner-city customers. All that is true but incomplete. Several studies have concluded that 30 to 50 per cent of the people signing up for sub-prime mortgages could have qualified for conventional loans. Second, it's possible for consumers to repair credit problems. Our credit union has worked extensively with members who

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Member Survey

A member survey was conducted in the fall of 2003 to determine what services were used by our members, what changes you would like to see and what you think of SCFCU. We thank all of you who took the time to respond and want you to know that we are listening. After tallying the answers

this is what we learned:

- 79% read the messages on the statements.
- 85% are reading the newsletter.
- 19% use the Westcott ATM.
- 25% know where other ATMs are located
- 62% would like to see longer hours and/or Saturday hours at the Westcott Street office.
- 10% commented that the monthly statements are “terrible”, “unreadable”, “confusing” and “indecipherable”.
- 27% use the Web Teller.
- 46% use Express Service.

both services new at time of survey



We are delighted to see that our information is reaching you! An overwhelming majority are reading the newsletter and the messages we send to you on your monthly statements. A significant number of you have said you find the statements inscrutable. SCFCU has raised the question of statement readability with our data processing software vender and possibilities for change are being explored.

Since this survey was taken the office hours at the SW have changed, making it possible now for members to get service on Saturdays. Your expressed wish for Saturday hours at the Westcott Office has been brought to the board and staff and changes are under review. 🌳

About those ATMs...

Using the ATM machine for cash, especially during “rush hours” can save you time - and it’s FREE! SCFCU is also part of Sharenet, the shared credit union group with ATMs all over Syracuse

For your convenience
ATMs are
all over town!



Downtown:

Galleries of Syracuse

1st floor, Center Lobby

441 S. Salina St.

City Hall

Tax Collection Office, Rm. 122

233 E. Washington

Public Safety Building

511 St. State Street

Syracuse University

Sheraton University Inn

801 University Ave.

Carrier Dome Main Gate

900 Irving Ave.

“Smooth E” (Next to Shirt World)

123 Marshall Street

Syracuse East

Glisson’s Mobil

357 Nottingham Rd.

(at Tecumseh)

Nottingham Plaza

Syracuse South

Brighton Mobil

958 E. Brighton Av.

(at E. Seneca Turnpike)

Green Hills Farm

5933 South Salina Street

Syracuse West

Durston’s Cigar Store

515 West Genesee Street

Brigadier Bingo Hall

1860 West Fayette St.

(corner W. Genessee St.)

Kinney Drugs

4202 West Genesee Street

Western Lights Plaza

(Drive Up Kiosk on

Onondaga Blvd.)

Syracuse North

Byrne Dairy

1429 Butternut St.

(at Grant Blvd.)

Carousel Mall

on the Main Floor

near The Limited



Two FREE Workshops!



Thursday, May 27, 6:00-7:30 PM

“You Can Be a Homeowner”

Westcott Community Center (downstairs)

Call Keshanna (ext. 241)

Wednesday, June 23, 7:00-8:30 PM

“Guerilla Marketing”

Westcott Community Center

Call Robert (ext. 206)

Yes, yes, we know it’s not a gorilla!



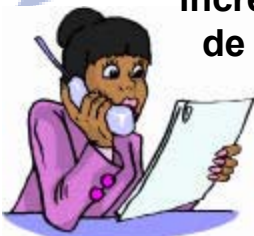
Free Credit Checkup.

**Do you know your credit score?
See a copy of your credit report.
Learn how to drive up your score
and drive down your rate.**

Call Greg x 230 or Beatriz
x231 to schedule an
appointment

**Revise su reporte de
crédito gratuitamente.**

**Mire usted a su puntaje de
crédito? Aprenda a
incrementar su puntaje
de crédito y a reducir
su tasa de interés.**
Llame a Beatriz x231



Consumer Choice: Continued from page 1

needed to resolve past financial issues. Third, some folks turn to sub-prime loans because of desperation; they have seen many banks largely abandon center-city America. Lastly, it's reasonable to say that some banks doing business with inner-city consumers operate in a wholly legitimate context. And yet, this doesn't address the issue of predatory lenders who prey on consumers with slick marketing and hardball sales tactics.

In this arena, we must turn to government regulations concerning such lending. Most of the action has happened on the state level, in actions initiated by attorney generals and banking departments and in laws passed by 25 state legislatures. Thus, it's very troubling that a federal agency, the Office of Comptroller of the Currency, has ruled that nationally chartered banks are exempt from state regulations. Federal officials say national banks shouldn't have to cope with laws varying from state to state.

That might sound like insider baseball, but it's not. Consumer protection hangs in the balance as state officials like Eliot Spitzer, New York State Attorney General, and Roy Cooper, Attorney General for North Carolina, joust with the comptroller's office regarding oversight for the banking industry. Generally speaking, state laws are more stringent and state regulators more willing to address complaints about loans. Thus, a campaign is under way to block the comptroller from implementing the ruling.

Even as that effort continues, sub-prime lending continues to be a multi-faceted problem. Both national organizations like ACORN, a group that advocates for poor people, and local entities like Syracuse United Neighbors have long focused on this issue. However, much more work needs to be done in terms of education. In addition, urban borrowers should have more alternatives to loans carrying sky-high fees and rates of interest.

Finally, in a discussion of this kind, the notion of consumer responsibility inevitably arises. Each consumer has some responsibility for gathering information before signing on the dotted line. On the other hand, this is an area in which many sleazy deals have been perpetrated. When the butcher regularly keeps his thumb on the scale, it's time to call a fraud investigator. CM

*If you're tired of the 'same old, same old'
and want to see some progress for a change
- I challenge you - put your money where
your mouth is.*

*Better yet - put your money where you live
- in the Syracuse Cooperative Federal Credit
Union.*

*Think about this. Every dollar you
put into an account at SCFCU is
a dollar that is working for you
and this community.*



So there it is. Talk is cheap.



Around the Office

We are pleased to welcome **Maribel Gonzalez** as our newest staff member.

Maribel, our fourth Spanish speaking staff member, will be working Monday, Wednesday and Friday at our Westcott Street Office as a Member Service Representative and Teller.

Kevin attended an Hispanic Outreach Task Force Conference in Durham, NC on May 10th and **Greg** attended the University of Lending Conference in Syracuse during the week of April 19th – 23rd.

WEB TELLER REMINDER — Just a reminder that Web Teller transactions are not “real time.” We download the transactions several times a day, post them to members’ accounts and then upload current information to Web Teller. Also, please be aware that when making a loan payment via WebTeller, only the total payment is recorded; the split between interest and principal (and late charge if applicable) takes place when we process the transaction. 🌳

Telephone Directory	Hogan, Amanda	855
Bailey, Lisa	Knipe, Greg.....	230
Barrientos, Maritza	Kramer, Rae	212
Becker, Danita	McCool, Robert	206
Bering-Porter, Gail	Micheletti, Matthew	213
Burbank Beatriz.....	Michaels, Jack.....	Option 7
Ehrenreich, Ron	Rodriguez, Elizabeth	Option 7
Elrington, Keshanna	Russo, Gerry.....	210
Gelfuso, Margaret	SouthWest Office	Option 7
Gonzalez, Maribel	Trostel, Amy	240
Hamler, Bill.....	Wehner, Kevin.....	204

Alrededor de la Oficina

Queremos darle una cordial bienvenida a **Maribel Gonzalez** como parte de nuestro nuevo personal. Maribel, la cuarta persona de habla hispana en nuestra oficina, estará trabajando Lunes, Miércoles y Viernes en nuestra oficina de la Westcott Street como representante de servicios al cliente y Cajera.

Kevin estuvo en una conferencia sobre como servir mejor a los hispanos en Durham, NC en Mayo 10 y **Greg** asistió a un Seminario sobre préstamos y créditos en Syracuse durante los días 19 y 23 de Abril.

RECORDERIS EN EL USO DE LA PAGINA WEB — Solo queremos recordarle que las transacciones en la pagina web no coinciden con la hora exacta que usted las hizo. Nosotros bajamos las transacciones del internet varias veces al día, las pasamos a las cuentas de los miembros y entonces enviamos la mas corriente información al internet. Tambien tenga claro que cuando usted hace un pago de un préstamo via internet, solamente se refleja el pago total; entonces la parte que es interes y la parte que pertenece al principal (y los intereses por mora) toman lugar cuando nosotros procesamos la transacción.



Syracuse Cooperative Federal Credit Union

723 Westcott Street
Syracuse, New York 13210
ADDRESS SERVICES REQUESTED

PRESORTED
STANDARD
U.S. POSTAGE PAID
SYRACUSE, NY
PERMIT NO 4238

Credit Union Hours: Eastside Office - Monday, Wednesday, Friday, Noon-6pm, Tuesday & Thursday Noon-4pm
Southwest Office - Monday through Thursday, 10am to 3pm, Friday, 10am to 6pm, Saturday, 10am to 1pm
VISA, lost or stolen (800)453-4270