

## How Can I Get Help?

The Don't Borrow Trouble El Paso (DBT) Campaign is here to help you make informed financial decisions when seeking a loan. The campaign aims to:

- \* Educate you about the dangers of predatory loans
- \* Help you identify predatory loans
- \* Link you to resources that may help you with your situation

Specifically, the DBT Campaign can assist you through the following ways:

### **DBT Website**

DBT has launched [www.elpasotexas.gov/DBT](http://www.elpasotexas.gov/DBT) which contains a great deal of bilingual (English /Spanish) information on such topics as ways to identify predatory and high cost loans, contact information for all DBT partners, resources to help you file a complaint, downloadable flyers, and much more!

### **2-1-1 Toll-Free Referral Hotline**

DBT is a member of the Texas # 2-1-1 network, a toll-free line operated by the El Paso City County Health and Environment District. Dial 2-1-1 anytime of day or night, 7 days a week, and an operator will be able to give you referrals to DBT partners, or see the chart on this brochure to find out which DBT partner might be able to meet your needs. If you call Mon. — Fri. between the hours of 8 a.m.— 5 p.m., you will speak to an operator located in El Paso.

### **Free Legal Clinics**

Free legal clinics are held once a month at the Texas Rio Grande Legal Aid office (a DBT Partner), located at 1331 Texas Ave. (corner of Texas and Newman) from 5:00 p.m. - 7:00 p.m. Upcoming clinic dates are: Aug. 20, Sept. 17, Oct. 15 & Nov. 17 of 2008; and Jan. 21, Feb. 18, March 18, April 15, May 20, & June 17 of 2009. Clinic topics include mortgages, foreclosures, consumer loans, credit cards, and basic bankruptcy. Please contact 585-5100 for additional information.



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## For More Information, Contact Don't Borrow Trouble (DBT) Partners!!!

### **AARP**

[www.aarp.org](http://www.aarp.org) or [www.aarptexas.org](http://www.aarptexas.org)  
(915) 595-1485  
El Paso Information Center  
Local Contacts: Hector Esparza or Luis Arreola  
8900 Viscount Drive, AR-1  
El Paso, TX 79925

### **ACORN Housing**

[www.Acornhousing.org](http://www.Acornhousing.org)  
[vstjohn@acornhousing.org](mailto:vstjohn@acornhousing.org)  
(915) 781-1303 or (915) 781-1310  
6920 Delta, Suite #5  
El Paso, TX 79905

### **City of El Paso, Community Development, Housing Programs Division**

[tirresal@elpasotexas.gov](mailto:tirresal@elpasotexas.gov)  
[www.elpasotexas.gov/commdev/](http://www.elpasotexas.gov/commdev/)  
(915) 541-4639  
2 Civic Center Plaza, 8<sup>th</sup> floor  
El Paso, TX 79901

### **Consumer Credit Counseling Service of the YWCA**

[www.ywcaelpaso.org](http://www.ywcaelpaso.org)  
[cccs@ywcaelpaso.org](mailto:cccs@ywcaelpaso.org)  
(915) 356-CCCS (2227)  
Contact: Rocio Castruita  
1600 Brown St.  
El Paso, TX 79902

### **El Paso Affordable Housing Credit Union Service Organization**

[www.epcuah.com](http://www.epcuah.com)  
[epaffordablehousing@sbcglobal.net](mailto:epaffordablehousing@sbcglobal.net)  
(915) 838-9608  
6801 Viscount Blvd., Suite A  
El Paso, Texas 79925

### **El Paso Collaborative for Community and Economic Development**

[www.ep-collab.org](http://www.ep-collab.org)  
(915) 590-1216 or (915) 590-1214  
One Stop Business Resource Center, Room 538  
1359 Lomaland Dr.  
El Paso, Texas 79935

### **El Paso Housing Finance Corporation**

[www.elpasohfc.org](http://www.elpasohfc.org)  
[duanax@elpasotexas.gov](mailto:duanax@elpasotexas.gov)  
(915) 545-0330 to receive a flyer by mail  
or (915) 541-4476 for other questions  
El Paso HFC, City Hall  
2 Civic Center Plaza, 2nd floor  
El Paso, TX 79901

### **GECU**

[www.gecu-ep.org](http://www.gecu-ep.org)  
[pat.carmona@gecu-ep.org](mailto:pat.carmona@gecu-ep.org) For media inquiries only, contact Lettie Ramos  
or (915) 774-1710  
SmartCall (915) 778-9221

### **Housing Authority of the City of El Paso**

[www.hacep.org](http://www.hacep.org)  
[sgonzalez@hacep.org](mailto:sgonzalez@hacep.org)  
(915) 849-3629 or (915) 849-3742  
For the Homeownership Program,  
5300 E. Paisano Dr.  
El Paso, TX 79905

### **Texas RioGrande Legal Aid**

[www.trla.org](http://www.trla.org)  
[receptionistelp@trla.org](mailto:receptionistelp@trla.org)  
For information, contact: (915) 585-5100 or for  
an appointment contact (915) 585-5183  
1331 Texas Ave.  
El Paso, TX 79901

### **West Texas Credit Union**

[www.wtcu-ep.org](http://www.wtcu-ep.org)  
For media inquiries only, contact  
Luis Caballero  
[lcaballero@wtcu-ep.org](mailto:lcaballero@wtcu-ep.org) or  
(915) 772-5247 x-205  
Contact: (915) 772-5247

### **Border Fair Housing & Economic Justice Center**

[www.borderfairhousing.org](http://www.borderfairhousing.org)  
[aolaque@borderfairhousing.org](mailto:aolaque@borderfairhousing.org)  
Contact: (915) 351-2770  
1301 N. Oregon  
El Paso, TX 79902

Don't fall victim to aggressive marketing when it comes to borrowing money. Some lenders offer products that are not in your best interest. They may fail to explain, or explain only in "fine print," the terms of the loan contract. Some lenders may try to sell you loans with unwarranted high interest rates. Beware of loans such as single "balloon" mortgages, payday loans, rent-to-own arrangements, or tax refund anticipation loans. These types of loan products could put you in a worse financial situation than where you started. Don't be fooled!

*Don't Borrow Trouble El Paso is a partnership of local organizations working to educate and empower El Pasoans on the consequences of high cost loans.*

## What Is Don't Borrow Trouble?

The Don't Borrow Trouble (DBT) Campaign is an educational campaign committed to combating predatory lending practices in the El Paso region through consumer education and awareness. Its immediate primary objective is to provide information and education to consumers and homeowners, allowing them to make sound decisions regarding their finances and lending options.

DBT is designed to strengthen the financial capacity of the community and prevent unscrupulous lenders from taking advantage of uninformed and/or vulnerable consumers. Predatory lending practices consist of various financing and loan-products that negatively affect consumer's financial health. While "predatory lending" may have many definitions, the following illustrates its destructive nature:

- High interest rates and fees which are not substantiated by the borrower's credit worthiness
- Short minimum loan term with rollover loan at additional cost
- Some single balloon payment loans. In situations where single payment loans are used as interim financing, this may be a fair option although consideration of all of the loan terms should be examined in making this decision.
- Loan flipping where the borrower goes into the transaction agreeing to a certain loan product and ends up with another less favorable loan product
- No consideration of borrower's ability to pay
- High deferred check fees and charges
- Mandatory arbitration clause in loan agreements
- Circumventing state laws to charge more fees or interest
- Steering credit worthy borrowers to sub-prime loans
- Charging discount points which do not lower the interest rate or lower the borrower's monthly mortgage payment
- Adding undisclosed products to loans as a condition of the loan such as: Credit Life Insurance, Credit Card Accident and Health Insurance or substandard warranties (products such as the ones mentioned should never be made conditions of the loan)
- Abusive pre-payment penalties on loans
- Targeting borrowers to aggressive sales tactics.

Many times, borrowers come from vulnerable groups such as minority populations, the elderly, young adults, and persons with limited financial knowledge, thereby making them especially susceptible to these abusive loans.

## Our Partners

- AARP
- ACORN Housing
- Border Fair Housing and Economic Justice Center (BFHC)
- City of El Paso, Community Development, Housing Programs Division (City of EP)
- Consumer Credit Counseling Service of the YWCA (CCCS)
- El Paso Affordable Housing Credit Union Service Organization (CUSO)
- El Paso Collaborative for Economic and Community Development (EP Collab)
- El Paso Housing Finance Corporation (HFC)
- GECU
- Housing Authority of the City of El Paso (HACEP)
- Texas Rio Grande Legal Aid (TRLA)
- West Texas Credit Union (WTCU)

## Fast Cash is the Wrong Path

Don't let quick and easy offers take you in the wrong direction.



	AARP	ACORN	BFHC	City of EP	CCCS	CUSO	EP Collab	HFC	GECU	HACEP	TRLA	WTCU
<b>Alternative Loans</b>							X		X			X
<b>Predatory Lending Issues</b>			X		X	X	X				X	
<b>Credit Counseling / Debt Management</b>		X			X	X						
<b>Down Payment &amp; Closing Cost Assistance</b>				X			X	X	X	*only for Section 8 participants		
<b>Homebuyer Education</b>		X			X	X	X		X			X
<b>Financial Education</b>	X		X		X	X	X		X			X
<b>Foreclosure (counseling, prevention, loss mitigation)</b>		X	X		X	X					X	
<b>Low Interest Mortgage Loan</b>				X		X	X	X	X	*only for Section 8 & Ross Program participants		X
<b>Rehabilitation of Homes— Financial Assistance</b>				X			X					
<b>Reverse Mortgage Education</b>	X		X		X	X						
<b>HUD Approved Counseling Center</b>		X			X	X						
<b>IDA Individual Development Account (form of savings account)</b>					X	X	X		X	*only for Section 8 & Ross Program participants		
<b>Savings/Checking Account</b>			X			X			X			X
<b>Rental Assistance</b>										*only for Section 8 participants		
<b>Fair Housing</b>			X	X		X					X	
<b>Legal Advice &amp; Assistance</b>			X								X	
<b>Income Tax Preparation (Free for Low-Income Individuals)</b>	X	X			X	X	X			X		X