



# Murphy Wall

Quarterly Newsletter

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## Avoiding Mortgage Pitfalls

Chicagotribune.com

With the recent spike in mortgage foreclosures, people are asking questions: Why is this happening? Where do we turn for home financing? How do we avoid these pitfalls?

Many elected officials, local governments and community organizations, along with federally insured financial institutions and their regulators, are working hard to address these problems. Bona fide debt counseling programs are expanding. Public and private sectors are creating funds to assist affordable refinancings. Financial institutions of all sizes are working with borrowers in their communities to help avoid foreclosures.

And the State of Illinois has been a national leader in passing laws to protect consumers from predatory lending and mortgage fraud.

Unfortunately laws are not enough to stop the bad actors. However, there are effective steps that we all can take to protect ourselves. They are:

- Start your search for a mortgage loan at a local bank or a branch of one of your federally insured financial institutions. They are subject to strict government oversight and want to develop a long-term relationship with you.
- Be careful about dealing with a mortgage broker or mortgage banking company that just appears at your doorstep, e-mails you or advertises heavily on billboards, television commercials or the Internet.
- Beware of false promises. Predatory lenders often verbally promise you one set of terms, and then increase the fees in the closing documents.
- Know the difference between the "annual percentage rate" and "finance charges" for your loan. The APR only refers to the cost of the principal amount you are borrowing. Finance charges include other "points and fees" that are added to the interest rate, and this is the number that will affect your pocketbook each month. Predatory lenders only want you to think about the APR, not finance charges.
- Never sign paperwork that contains blanks. If you are unsure about anything in the contract, talk to a credit counselor, or ask a loan officer at your local bank, even if you are not borrowing from that bank.
- Demand a copy of your loan documentation several days before your closing. Review it to see whether the terms are different from what you actually understood them to be.
- Know that you have the right to change your mind and back out of the loan within three business days after your closing.

The more educated you are as consumers, the better you will weather this economic downturn and avoid future crises.

P. David Kuhl, Chairman, Illinois Bankers Association

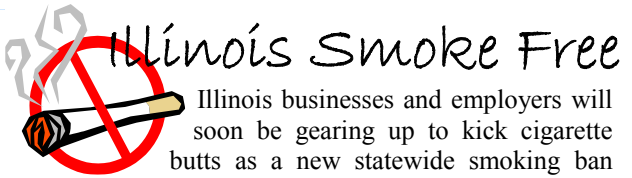
[www.murphywall.com](http://www.murphywall.com)



What's Your New Years Resolution???

Is it Saving Money? Murphy-Wall can help! We offer Money Markets, Savings Accounts, Christmas Clubs, and IRAs. Start saving today, the right way!

*Visit either location and speak with a Customer Service Representative*



Illinois businesses and employers will soon be gearing up to kick cigarette butts as a new statewide smoking ban goes into effect Jan. 1, 2008.

All indoor public places and workplaces, including, restaurants, bars, bowling alleys, casinos, private clubs, banquet halls, factories, warehouses and maintenance garages. No smoking will be allowed within 15 feet of entrances, exits, windows that open, and vents. This law will take effect 12:01 a.m. Jan. 1, 2008.

The Illinois Department of Public Health, state-certified local health departments, and local police and sheriff's departments will be monitoring and enforcing this new law.

Murphy Wall State Bank Loan Department has received an Award of Excellence from the USDA Rural Development for the outstanding efforts during the past year assisting families in purchasing homes utilizing the USDA Rural Development Guaranteed Housing Loan Program. The loan department has generated Guaranteed loans totaling over \$1.5 million by partnering with the Rural Development program. Congratulations to the loan department on this wonderful achievement!

Rural Development is a program offering **100% financing** on the purchase of your home. To find out more about this program or any other of our fixed rate loan programs please contact one of our loan officers, Roger Hileman, Terri Lindner or Austin Marlow, at 618-357-5373 in Pinckneyville or Randy Stark or Robin Taylor at 618-687-2265 in Murphysboro.

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-- Set the water heater temperature at 120 degrees Fahrenheit or on "low."

Using this setting can reduce annual energy costs by 3 to 5 percent. When away from home for an extended period of time, select the "vacation" setting if the unit is so equipped. Reduce hot water usage by using cold or warm water in the washing machine, a step that saves money and extends the life of clothes. Get more life out of the water heater and reduce energy costs by periodically draining the tank to eliminate the buildup of sediment.

-- Turn off incandescent lights when leaving a room. Turn off fluorescent lights when leaving a room for 15 minutes or longer.

-- Turn off televisions, computers, printers and other equipment when not in use. Unplug cell phone chargers once the phone is recharged.

For more energy saving tips, visit the Ameren Web site (<http://www.ameren.com/>), select "My Home" and then "Energy Savings Tips."

## Ameren Illinois Utilities Offer Easy Ways for Consumers to Reduce Energy Bills

Everyone wants to save money on their energy bills, but some people may hesitate to take action because they may believe conservation steps are difficult, costly to implement or cause discomfort.

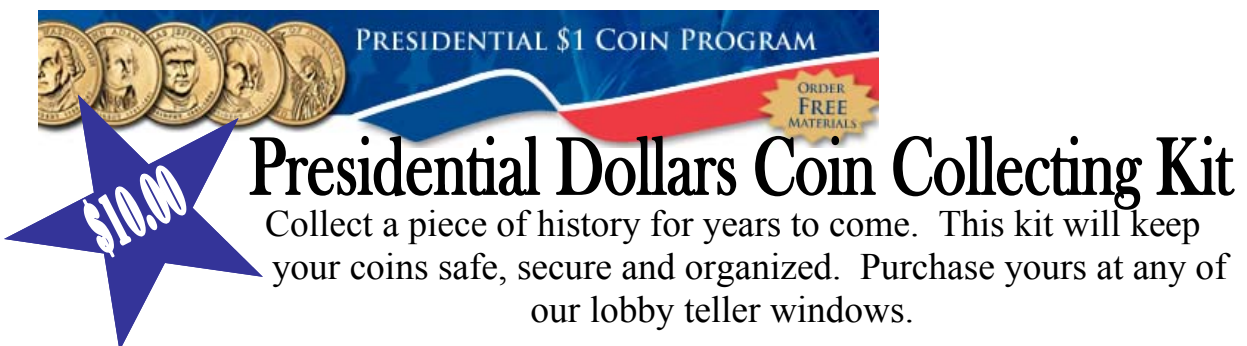
In reality, the experts point out consumers can easily conserve energy this winter without sacrificing comfort or spending much money.

The Ameren Illinois utilities suggest the place to begin is the home's heating system. Furnaces should be checked annually by a heating professional, who will make certain the unit is operating efficiently and safely. In addition, furnace filters should be changed regularly, usually once a month.

Other energy saving tips include:

- Check the home to find the places where cold air is entering. On a windy day, an adult should hold a lighted incense stick next to windows, doors, electrical outlets and other locations where outside air can enter. Air leaks are found when the incense smoke moves horizontally. Most leaks can be sealed with an inexpensive tube of silicone caulk. Weather stripping should be used for doors. Metal weather stripping with a vinyl backing is recommended for its durability and flexibility. To reduce air infiltration through outside wall electric outlets, install thin foam gaskets. A well sealed home not only reduces energy bills, but is more comfortable.
- Consider setting the thermostat a little lower during the winter. For each degree it is lowered, a consumer can save 2 to 3 percent on heating costs. Some consumers maximize savings by setting the thermostat at a lower setting when they are sleeping or away from home. Many find that programmable thermostats help reduce heating costs by allowing better control of the settings.
- Adding some humidity to a home will increase comfort. Inexpensive humidifiers can be purchased at hardware and home improvement stores. An economical way to add humidity is to leave bathroom doors open after showering and leave exhaust fans off when boiling liquids in the kitchen.
- Take advantage of free energy from the sun. On bright days, open blinds, shades or draperies on the sunny side of the house to let in solar heat. Close them at night to help keep heat from escaping.
- Use circulating fans - especially ceiling fans - to circulate warm air and keep it from gathering near the ceiling. It is suggested that ceiling fans be set to run counterclockwise during the heating season.
- Consider closing off areas of a home that are infrequently used. Close registers in those areas.
- In homes with fireplaces or wood-burning stoves, make sure the unit's damper is completely closed when not in use to prevent costly heat loss.

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**PRESIDENTIAL \$1 COIN PROGRAM**

ORDER FREE MATERIALS

**\$10.00**

# Presidential Dollars Coin Collecting Kit

Collect a piece of history for years to come. This kit will keep your coins safe, secure and organized. Purchase yours at any of our lobby teller windows.



### Fraud Prevention

Phishing (“fishing”) is one of the most prevalent forms of identity theft. It occurs when criminals present themselves as members of a legitimate organization to try to “hook” the consumer into providing valuable personal information. Using this information, the criminal can then carry out fraudulent activity that may do lasting damage to a consumer’s financial status and credit standing.

Most often consumers receive an e-mail that appears to be from an organization with which they do business. These can include, but most certainly are not limited to, financial institutions, utility, phone, cable or Internet provider, online merchant, government agency, prospective employer. The caller typically asks the consumer to provide personal information in order to help rectify a bogus problem such as an account, data or billing error. Common information requests include,

- “We’re updating our records”
- “We’ve identified fraudulent activity on your account”
- “Valuable account and personal information was lost due to a computer glitch”

Then to encourage immediate response, the e-mail usually threatens that the account could be closed or canceled.

**Here are some tips to help you protect yourself against phishing and other forms of identity theft.**

- Be suspicious if someone contacts you unexpectedly and asks for your personal information
- Do not click on links in e-mails that ask you to provide personal information
- Do not provide personal information via phone, e-mail or otherwise unless you initiated the contact with a trusted partner
- If someone contacts you via phone or e-mail and says you’ve been a victim of fraud, verify the person’s identity and contact the organization directly before you provide any personal information
- If you manage financial accounts online, choose passwords that are difficult for others to guess, use a different password for each online account and change the password frequently
- Make sure the web sites on which you transact business post privacy and security statements
- Do not send sensitive personal or financial information unless it is encrypted on a secure web site
- Check your monthly statements to verify all transactions
- Check your credit report twice a year and examine it thoroughly for accounts that have been opened without your knowledge
- Add a statement to your credit file that prohibits the granting of credit without calling you to confirm the application
- Record the names account numbers and customer service numbers of all the cards you carry
- Make it difficult for thieves to get “identifying information” from your mail
- Shred or secure in a lock box all documents with important identifying information such as bank/credit card statements, pre-approved credit card offers, tax records & paystubs
- Carry only the credit card you would use in an emergency. Do NOT carry your Social Security Card
- Update your personal computer with security patches and install anti virus software

## Bank Holidays

January 1 New Year’s Day  
 January 21 MLK Jr.’s Birthday  
 February 18 Washington’s Birthday

## Attention!!

*Come in to see a Customer Service Rep or be watching your statements for our **monthly** give-aways!*

### CATS

Customer Activated Telebank System  
 357-5313, 687-5313 or  
 Toll Free 877-358-6554

