

MONEY SENSE

Genesis
FINANCIAL MANAGEMENT INC.

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NEW BEGINNINGS, DEBT FREE

Payday Loans Usually Don't Pay

Would you pay 730% to get a loan? If this figure sounds just a little outrageous, consider that thousands of people all over the country willingly pay this type of interest week after week when they take out short-term loans through payday lenders.

Also known as “deferred presentment” loans and “cash advance” loans, these types of loans have become a very popular form of borrowing for cash-strapped consumers trying to get from one paycheck to the next or deal with unexpected expenses. And for good reason. They are easy to get and don't cost a lot. Or do they?

Each time you take out a payday loan, you will most likely pay a processing fee to the lender that could be upwards of \$50 or more. That's \$50 you could have used to pay other bills. And when you consider the overall “cost” of these loans including the fees, the annual percentage rate on them can easily exceed several hundred percent.

Compare that rate against the 10-15% that most banks and credit unions charge for personal loans. Even the 30% rate that some credit cards may impose seems tame in comparison. Yes, I know that when you're struggling to make ends meet, a small fee seems a small price to pay for financial aid, but the interest rate is not the only troubling aspect of this type of credit. The fact is that the

majority of payday loans are taken out by repeat customers. If you end up taking out a payday loan to get from one paycheck to the next, you're spending money you don't even have yet, hoping that you'll be able to pay it back once you get paid again. But chances are that next paycheck already has someplace to go—other bills it's budgeted for. It's spent before it comes in. So what do you do? Extend the payday loan. It can become very easy for a consumer to get stuck in a cycle of borrowing that lasts months, if not years. This prevents you from getting ahead and from achieving other financial goals, like saving money or paying off debts.

So what's the alternative? If you find yourself between a rock and a hard place, consider these options: can you borrow money from friends or family? Would your employer be willing to extend you a short-term loan or advance on your paycheck? If you're borrowing to stay current on other loans, have you contacted those creditors first to see if they will help you out with loan restructuring, temporarily reduced payments, etc? What about emergency assistance programs through your local utility company or neighborhood nonprofit to help keep the lights on, food on the table, etc? And don't discount your own bank or credit union as a source of quick cash.

The bottom line is that payday loans should be the option of last resort. They can hurt more than help.

Dollar Savers: Stretch Your Beauty Dollars

- **Skip the spa and scrub up at home.** Don't waste your money on expensive exfoliating scrubs. Mix a few handfuls of coarse sugar with a drizzle of olive oil and scrub off that dead skin in the shower. Inexpensive and all natural.
- **Fake that perfect manicure.** Stop spending \$15-25 on that nail salon manicure and do it yourself. Soak your nails in warm water and lemon juice to remove stains and soften cuticles. File, buff for shine, and you're good to go.
- **Maximize your favorite lipstick.** Love the color but want a different look? Apply lipstick over a thin coat of Vaseline for that glossy look. For a matte look, dust with loose powder. Rub an ice cube over lips for even longer lasting color.
- **If a salon is a must, stake them out for deals.** Most top salons offer low-cost cuts on nights when their student stylists practice their skills. Want to save even more? Try a beauty school. You get the same treatment for a fraction of the cost. Don't worry— in both situations, students are closely observed by their senior colleagues and/or teachers.

Payment Address

Genesis Financial Management
P.O Box 100280
Atlanta, GA 30384

Reminder: You can management your account through our website, www.yourgfm.com. The process is fast, easy and can be done 24-7! Do you know someone who could/should be receiving the same benefits you are to help them get out of debt? Now they can get started with just a few mouse clicks! Have them visit our website for assistance



Here is a recipe I found for hand cream that is excellent for sore, dry skin. The recipe, developed by Rosemary Gladstar, is contained in the book "Tasha Tudor's Heirloom Crafts."

3/4 cup of apricot or almond oil
1/3 cup of coconut oil or cocoa butter
1 teaspoon lanolin
1/2 oz of grated beeswax

Melt these ingredients over low heat. Cool to room temperature. While these ingredients cool, mix together:

2/3 cup of rosewater
1/3 cup of aloe-vera gel
1-2 drops of rose oil
the contents of 1 vitamin E capsule

Add these ingredients to the first mixture. Whip together until their consistency resembles buttercream frosting. Store in a covered jar.

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The Right Knife Truly Makes the Chef

I recently took a knife skills class to "sharpen" my culinary skills in the kitchen. As a hobbyist chef, I've sliced and diced my way through many a dish in my years of cooking. It wasn't until I took the class that I realized more isn't necessarily better.



We've all been to our local home store and longingly gazed at the expensive knife sets with seven or more knives. But you have to ask yourself, do I really need that many? Well the answer is no in most cases. Unless you are a professional chef who believes he or she needs a special knife for each thing they cut, most home chefs, like myself, can get by on three to four good knives.

The must haves for any home chef would be an 8" or larger chef's knife, a 4-6" utility knife, a paring knife and a bread knife.

Some serious knife buffs will tell you that you can't buy kitchen knives on a

budget. "You get what you pay for," they'll say. Or "you can't get decent quality for under \$150."

I don't buy it. Granted, you're not going to get the best quality knives without shelling out some serious dough, but there are some great values out there. And if you're smart about how you spend your money, those values can be found.

When Linen and Things closed their doors last year, I was able to get the individual knives I wanted for half the price they were selling for in other retail stores. Check online stores too for sales. Many times I've found a great deal through online searches.

When buying a knife you need to look at the knife's composition as well. Knives with better quality steel will stay sharper longer than those with lesser quality steel.

Something new to consider are ceramic knives. These knives weigh considerably less than their steel counterparts and stay sharper longer. My wife has problems using my chef's knife for any length of time. After one experience with a

ceramic knife, she was sold. In addition, these knives leave no metallic taste to the food being cut and will not blacken the edges of fresh herbs when cutting them. These knives do tend to be more expensive, but are worth it to many home chefs.

Speaking of sharpness, make sure your knife is sharp prior to each use. A knife sharpener with a rough and fine setting is a must with any chef. If you have an good old knife that isn't quite as sharp as before, consider having it professionally sharpened. This service can be as low as five dollars a knife. Also, make sure you have a knife steel to remove any burrs or nicks from your knife as you use it. If your current steel seems to have lost its luster, simply soak it in hot soapy water and scrub it with one of those green dishwashing



scratch pads to remove old metal shavings. Following these tips can increase the effectiveness of your knives and your skills. as well.

Please Note: We Need Your New Balances

Have you spoken to us recently about your account balances?

Due to the way creditors apply payments and calculate new balances, we cannot track your current monthly account balances with 100% accuracy. And

because we don't receive statements from your creditors, we rely on you to periodically contact us and reconcile those numbers. This is more important than you might think. If our system believes a creditor is paid in full before they actually are, it will stop sending pay-

ments to that creditor, which can result in unnecessary fees and problems. If you haven't updated your balances with us recently—especially if you have accounts that are close to being paid off—please contact our Client Services department at 800-460-8641.

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