



Take Action and Save Your Budget!

June 2008 Pay Day Pointer

The Straw That Broke The Budget

If you feel that this latest interest rate increase, and the two further increases expected this year, could be the last straw for your budget, take action! There are some relatively simple steps you can take to ensure you keep your home and stay financially afloat during these troubled economic times.

Even as a collective sigh of relief went up throughout the country that the Reserve Bank did not put up the rates by 2% as Tito Mboweni threatened in May, last week's interest rate increase of 0.5% has been described as the last straw that could break the camel's back for many homeowners. But you can take action to ensure you keep your homes and manage your finances to survive these tough times. Here are eight tips you can implement today to keep your financial ship afloat.

Taking Action:

Gather Information!

If your budget is stretched to the limit, take action right now! Read our Budget Basics newsletter (February 2008) on our website and take control of your budget. Snip Snip! CUT!

Cut down on all luxuries, cut out any unnecessary expenses, cut up your credit cards and store cards. Use any extra cash you have to pay off your short-term debts.

Don't Delay - Sort It Today!

Don't wait until you cannot meet all your repayments. If you see that you are running into the red, make contact with your creditors and make alternative payment arrangements. Most creditors will be more helpful than you might expect.

Get HELP!

The National Credit Regulator (NCR), established in terms of the National Credit Act, offers debt counseling services through trained debt-counselors, to help consumers who cannot meet their repayment obligations. The debt counselors can assist you to create a strategy to get out of the debt-trap - including advice about budgeting and how to restructure your payment. Debt counselors will also mediate with creditors on your behalf. Visit www.ncr.org.za for more information.

Banks - Friend or Foe?

All the banks in South Africa have confirmed that they want to help struggling consumers and that repossessing homes and cars are not their preferred method of dealing with bad debt. Speak to your bank to restructure your repayments even before you have a problem.

Every Cent Counts!

Do not skip a payment on any account, especially your home loan! Pay something to indicate to the creditor that your intention is to honour your commitments and immediately make arrangements to repay the outstanding amount.

Survival Choices!

You have several options when it comes to restructuring your home loan repayments to survive the current economic situation. But you need to be up to date with your home loan repayments and have a clean credit record. Speak to your Interface consultant for the best advice.

Interface can assist by:

1. Negotiating lower interest rates with your bank

2. Switching your bond to another bank with better options for you

- YOU CAN:**
1. Negotiate a longer repayment term with your bank
 2. Pay only your interest for a certain period of time.
 3. Fix the interest rate on your home loan

Consolidation!

If you are a home owner and your bond is not in arrears, Interface can assist you to consolidate your short-term debt to reduce the interest you are paying and to reduce the total monthly repayments you have to make.

Don't Wait - Act Today!

Don't wait until you run into serious financial difficulties! Take action today! You are not alone - contact your Interface consultant, contact the credit departments of the companies you have accounts with, speak to your personal home loan consultant at the bank or contact a debt counselor approved by the NCR.

Many South Africans are in a difficult financial position today, but those that take proactive steps today to manage their finances will be the ones who survive these trying times. Kind Regards,

Your Interface Team



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