



## **BORROWER BEWARE**

### **Get the Facts on Home Equity, Mortgage Refinancing, and Debt Consolidation Loans**

Every day, more and more Urban Redevelopment Authority of Pittsburgh (URA) loan customers receive letters or phone calls from companies offering home equity loans, mortgage refinancing, and bill consolidation loans. Some of the offers seem too good to be true; with lower monthly payments, you can buy a new car, take a vacation or put a swimming pool in the backyard.

The truth is some of these offers can cost you thousands of dollars.

**Know the facts: Lenders** make their money from fees and interest. They will sell you on lower monthly payments. You should ask four questions:

1. What fees do you charge?
2. How much are the fees?
3. What is the interest rate?
4. How long will it take me to pay off the loan?

Lenders may ask the URA to subordinate your URA loan to their loan so that they would be paid first if you become unable to pay all your bills.

Generally, the URA **will** subordinate their loans\*\* if you will receive a lower interest rate or shorter loan term AND payments on your taxes and URA loans are up-to-date.

However, the URA **will not** subordinate loans\*\* if the new loan is for:

Purchase of a Car, Boat, Truck  
Bill Consolidation Loans  
Education Costs  
Pay off Credit Card Debt  
Vacation  
Personal Items  
Investments  
Luxury Items  
Cash Out

The URA strives to protect its loan customers and the funds available to continue its programs. Please call the URA at 412-255-6600 (fax: 412-255-6661) to discuss the offer you have been given. The URA will only talk to you - **We do not accept phone calls from lenders.** The URA charges a fee for subordinating loans.

**\*\*These are general guidelines. Each request for subordination is reviewed on a case by case basis.**

If requesting loan subordination, please complete the Mortgage Subordination Request and return to:

Urban Redevelopment Authority of Pittsburgh  
ATTN: Finance Department, 6<sup>th</sup> Floor  
200 Ross Street  
Pittsburgh, PA 15219  
Fax: 412-255-6661