

# SALDUTTI, LLC

ATTORNEYS AT LAW

Complete Creditors' Rights Service for NJ & PA

## CREDIT & COLLECTION MATTERS

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*Top Dog Collectors ...*



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CONTACT

To learn how we can be of service to your business please visit us on the web

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

1-877-809-4345

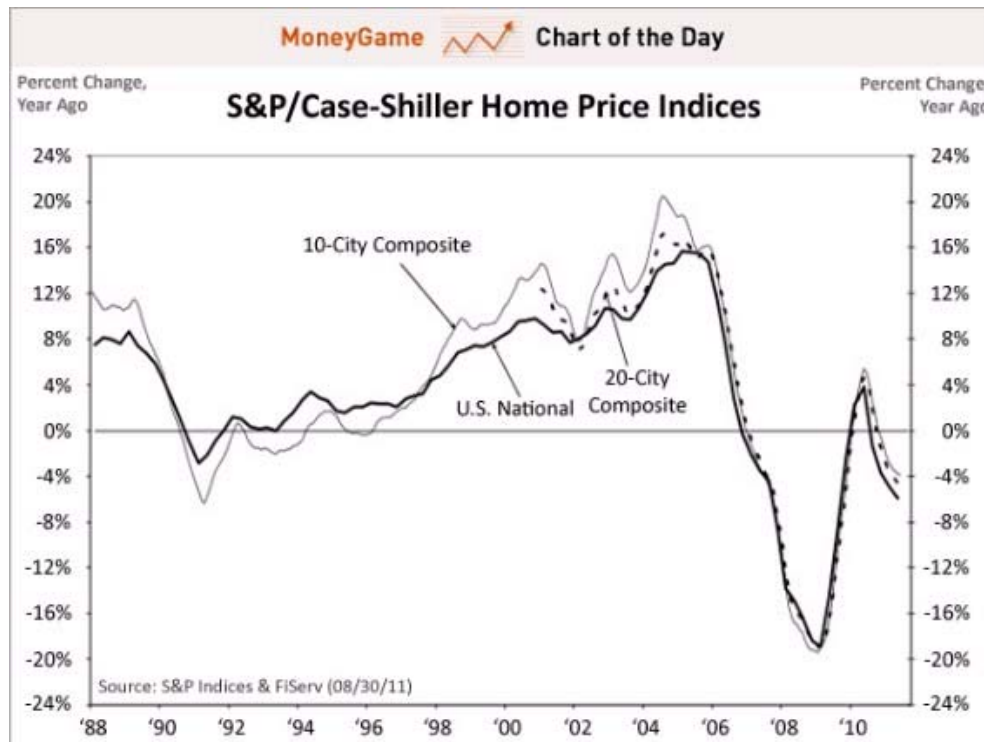
TEL: (856) 779-0300

FAX: (856) 779-0355 - fax

NJ: Cherry Hill/Lawrenceville

PA: Philadelphia/West Chester

## THE HOUSING DOUBLE DIP CONTINUES



Ignore the slight increase for home prices in the month of June. The real story in Case-Shiller housing numbers is the big year-over-year decline. The national index fell 5.9% from June 2010, its fastest rate of decline since 2009. The 10- and 20-City indices declined 3.8% and 4.5%, respectively.

Source: The Business Insider

## AMERICAN'S NEW ATTITUDE ON DEBT

### HOW THE FINANCIAL CRISIS RE-SHAPED OUR FINANCIAL OUTLOOK

Like the Great Depression, the Great Recession has reshaped American household finances. A whopping 67% in a survey by Absolute Strategy Research said the Financial Crisis had changed their attitude toward debt. 33% said they planned to reduce their total debt level over the next year, while 34% said they planned not to take on any new debt. While 87% of respondents report feeling "more secure" in the workplace than they did a year ago, many are struggling with debt, underwater mortgages and



the nagging feeling that no matter how much they sock away, they are not saving enough for retirement. Americans are still not great at saving, with 72% admitting they are saving too little. While 51% managed to get the spend-less-than-you-earn thing down, these respondents are only "making ends meet," and still 13% aren't getting by, period. This might have to do with their access to credit, which notably declined in the height of the downturn.

ASR's findings speak to Americans' inability to move past the Crisis, and their growing reluctance to take on more risk. "Only 36% thought stocks had a role to play in saving for retirement," said the survey. "Most depressing is that 46% thought that their children--when they reached their age--would have a lower standard of living."

Debt remains a factor in a financial planning, with 3 out of 4 Americans citing some type of debt, and 45% complaining that debt is swallowing their income and hindering their retirement. Much of the blame might go to housing, as 54% of respondents own a joint or individual mortgage, and 72% own a home. Along with "higher inflation," Americans have come to feel housing is worthless (minus 10%, down from 17% in June 2010), and the middle-class, who particularly feel the squeeze this year, are doing whatever they can to deleverage, or get out of, the market. The percentage of those who own a mortgage dropped 58% to 49% earlier this year; meanwhile 36% of homeowners report having some difficulty with their so-called investment, and 27% are underwater on their mortgage.

Source: The Business Insider

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## CREDIT RISK DECLINING; FEWER DELIQUENT CONSUMERS



TransUnion's proprietary Credit Risk Index (CRI) declined for the sixth consecutive quarter as consumers continue to pay off their outstanding debt and maintain low delinquency levels on their credit obligations. Compared to one year ago, the 2Q2011 CRI for the U.S. decreased 1.9% to 121.22. The Credit Risk Index is benchmarked to 1998 consumer credit risk levels and measures changes in consumer credit risk within various market segments.

According to TransUnion's TrendData, for the past several quarters there has been increased lending activity among banks and finance companies across revolving and installment loan categories. Except

for Massachusetts and Vermont, every state experienced at least a 0.76% decline in their credit risk. The 234-basis point quarterly decrease (121.22 from 123.56) at the national level was the largest decline since the first quarter of 2007. This decline places the CRI at a level not witnessed in the U.S. since the third quarter of 2008. The index has declined by 845 basis points or 6.5% since reaching its peak of 129.67 during the fourth quarter of 2009.

TransUnion's Total Inquiry Index (TII), which measures the demand for consumer credit benchmarked to consumer-initiated credit inquiries levels observed in 2000, increased to 68.93 in the second quarter 2011. Although the demand for credit remains low when compared to 2000 benchmark levels, the annual increase in the TII during the second quarter of 2011 was 0.7% percent. TII levels increased across most major categories monitored, especially inquires from finance and sales finance companies. These sectors generally reflect sales of consumer durable goods such as electronics, appliances and furniture.

According to Chet Wiermanski of TransUnion, "Continued responsible use and repayment of credit by consumers during the rest of 2011 should modestly improve the CRI to levels witnessed just prior to the early stages of the credit and mortgage crisis."

Source: TransUnion

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## SALDUTTI LAW, LLC NAMED AMONG 2011 TOP FIRMS



Saldutti, LLC is pleased to announce that Robert Saldutti has been named one of SJ Magazine's Top Attorneys. The firm's principal was recognized for excellence in his area of practice - Creditor Rights and Debt Recovery. Award winners were selected based on nominations by their peers in the New Jersey legal community. SJ Magazine reached out to local lawyers and

asked them which of their peers would they choose to go to battle for them. After tallying the votes, they compiled their list of 2011 Top Attorneys. As SJ Magazine pointed out in their issue, "a smart, strong, successful attorney can make a difference when you're fighting for your rights." The Top Attorneys list is featured in the magazine's August issue.

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## FEELING LUCKY? WIN A SALDUTTI BALL CAP!

Enter to win one of our brand new Saldutti ball caps - perfect for those hot summer days and cool fall nights! It's easy ... just visit our firm's web blog, [Money Matters](#), and leave a comment on any recent post.

While you're there, be sure to check out our current news, advice and insight on all things financial. We'll choose five



(5) people at random and send them a hat. Please make sure to include your email address so that we can contact you if you're one of the lucky five!

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Saldutti, LLC 856 779-0300  
[www.saldutticollect.com](http://www.saldutticollect.com)