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# ECONOMIC SURVIVAL GUIDE 2009

WE ARE ALL IN THE SAME BOAT, AND IT'S TAKING ON WATER. FAST.

—by Allison Trinidad

**O**r, at least, it might seem that way, whether you're above deck watching the water creep up or below trying to stay afloat. The financial debacle of 2008 is sure to go down as one of the worst in history. Surely, there's relief in sight? Well, politicians have already said that things may get worse before they get better. To that end, we asked local experts for their advice on ways to stay high and dry until things do get better. All we can do is strap on a life-vest, prepare to get wet and hope for the best.

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# 904

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## Economic Survival GUIDE 2009

How to keep your job, home and 401(k) afloat

PLUS:  
Rudolf Thyer, Judy Wells, Deletta Standly, Nick Talley, Dallas Contritt-Rickley, James Durkham & Scott Whalen

JOB	HOME	CREDIT
<p><b>BASICS:</b> A job is a task or position for which you receive payment. Unemployment is the state in which a person is without a job, available to work and is currently seeking work.</p> <p><b>HOW THINGS STAND:</b> The U.S. unemployment rate rose to a 16-year high of 7.2 percent in December, with 11.1 million unemployed workers and a total of 2.6 million jobs lost over the course of 2008. The local unemployment rate jumped to 7 percent in November (the most recent date for which data is available), while area employers dropped a total of 10,900 jobs from their payrolls in that 12-month period, a 1.7 percent decline. In Jacksonville, almost every sector of the economy reported job losses. Exceptions included education and health services, which added a net 1,600 jobs, or 2 percent.</p> <p><b>ACTION PLAN:</b> Whether you're afraid of losing your job or already have, there is hope, says Rose Conry, a partner at Employment Resources &amp; Solutions in Orange Park. If the unthinkable happens and you find yourself with a pink slip, give yourself two to four days to grieve. Then pull yourself together and hit the ground running. Conry suggests that job seekers brush up on interview skills and freshen their resumes. "Being laid off is different than being fired or terminated. If you're downsized, that's only because of the economy. In this day and age, it's common." With so many looking for work, it pays to be flexible and creative with your search. Look for jobs that match your qualifications, not your "field." And don't be afraid to take temp jobs, which can work into permanent positions. Solid industries in the area include transportation, logistics and healthcare.</p>	<p><b>BASICS:</b> Existing home sales tally the number of previously constructed homes in which a sale closed during the month. Resales typically account for a larger share of the market than new homes and are a good indicator of market trends.</p> <p><b>HOW THINGS STAND:</b> There are a lot of houses up for sale, prices for many of which continue to drop. Across the U.S., home prices fell a record 16.6 percent in the third quarter of 2008, compared to numbers from a year prior. According to the Census Bureau, the number of permits issued to build privately owned houses in October dropped to 708,000 nationwide, 40.1 percent less than the year prior. Jacksonville reported flat sales of existing homes (774 homes in October, versus 778 the same month in 2007) and an 8 percent drop in median sales price to \$169,700.</p> <p><b>ACTION PLAN:</b> If you don't have to sell, wait. "If I were a seller and did not have to sell right now, I would wait until March," says Pete Dalton, owner of Vanguard/GMAC Real Estate in Orange Park. "Waiting until the spring or summer gives sales some time to rebound and the seller to minimize any losses, Dalton says. In many newer neighborhoods around Jacksonville, there might be 15 to 20 of the same home for sale, says real estate broker Christy Budnick, executive vice president of Prudential Network Realty. So, negotiate. Short sales and foreclosures are setting market values, so if you live in a neighborhood flooded with short sales and foreclosures, they are your competition. "That doesn't mean you have to match it," says Dalton. "But [as an agent], the only thing you can do is to inform your sellers about what their competition is selling their house for."</p>	<p><b>BASICS:</b> The ability to obtain goods or services before payment. Among other things, it affects your job prospects and ability to buy or rent a home.</p> <p><b>HOW THINGS STAND:</b> According to a 2004 study, nearly 80 percent of credit reports are inaccurate. Sounds a little alarming, considering that your credit score affects so much. In 2008, lending standards became more restrictive. In some cases, your score needs to be 100 points higher than it needed to be two years ago to get the same loan. A score of 730-850 is considered excellent; 729-680 good; 679-620 fair; below 619 poor.</p> <p><b>ACTION PLAN:</b> Be diligent about monitoring your credit report, says Douglas Muir, president of Credit Justice Services, a credit report verification and repair agency in Jacksonville. Everyone is entitled to a free annual credit report from each of the three credit bureaus—EquiFax, Experian and TransUnion. Although you'll have to pay a minor fee to see your credit score, the report itself is free for you to peruse for errors like late payments, collections or liens. All are important to catch, because your credit score decreases every month until the problem is corrected. Muir suggests you request one report from one bureau at least every four months, if not more frequently. Secondly, keep your credit card balances at least 40 percent below the limit of each card you own. Anything over can cut between 10 and 30 points off your credit score immediately. Muir also cautions against opening a store-based credit card for a one-time discount (since credit limits are likely to be lower, it's much easier to reach the 40-percent-and-above mark that you want to avoid).</p>

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