



Changes in Banking

Being a home owner in Union County, whether a full time resident or part-time, is a very rewarding experience. To see the mountains of northeast Georgia each time you look out your window is site that never grows old.

However, when it comes to obtaining financing on your home that can many times be a very frustrating experience to go through. Recent changes in federal regulations have even made the task more daunting in some cases.

After the recent economic and real estate challenges of the last several years, Congress enacted legislation to protect the home owner from obtaining loans that they are unable to repay. This legislation came in the form of the Dodd-Frank Act and was passed into law on July 21, 2010. This Act contained some of the most significant changes since the regulatory reform that followed the Great Depression. The effective date of the changes became effective on January 10, 2014.

The most significant change to financing your home occurred with the "Ability to Repay" under FDIC Regulation Z. The "Ability to Repay" applies to mortgage loans secured by a dwelling. However, it does not apply to business purpose loans, home equity loans, construction or bridge loans less than 12 months.

Under the mandated "ability to repay" guidelines a bank is required to consider and document repayment ability based on 8 factors which include:

- * Current or reasonably expected income or assets that will be used to repay the loan, excluding the value of the dwelling.
- * Employment status (if relying on employment for repayment)
- * Monthly payment on covered loan plus any other payments also secured by same dwelling.
- * Monthly payment for mortgage related obligations
- * Current debt obligations, alimony, and child support
- * Monthly debt to income ratios and residual income
- * Credit history

The banks are no longer able to rely on a customer's oral statement of income and assets. Banks now must also obtain third-party verification of income. A pay stub from your employer is no longer considered to be sufficient verification of employment. Employers must be contacted by the bank to verify your job status.

With the new guidelines monthly payment obligations for items such as property tax, insurance and HOA fees must be considered. Also banks must adhere to minimum credit scores and apply standards to all its customers in order to insure consistent treatment of all borrowers.

If a bank fails to adhere to its established "Ability to Repay" guidelines it could result in regulatory criticism, fines and monetary penalties.

Although the above guidelines definitely make home financing much more tedious it is still a process that can be handled with relative ease by an experienced mortgage lender.

If you are in the market for a new home or simply just a remodeling project please stop by and see one of our seasoned mortgage lenders at any of our United Community Bank locations. We are dedicated to serving the residents of Union County with a full range of up to date banking products which include construction loans, home equity loans and traditional mortgages to all qualified borrowers.

Written by William Stone

William Stone has worked with United Community Bank for 20 years. He is currently a Senior Vice President with locations in Blairsville where he serves the local community by providing commercial lending options, small business lending and real estate mortgages.

Photo: Sunset in Union Co. nc

Union County Family Connection positively impacting the lives of families and students

Union County Family Connection's mission is for every child in Union County to grow up to become a successful, productive and contributing adult. The two goals are that all youth in Union County will graduate high school on time and create awareness about alcohol usage among youth to minimize the adverse effects of that undesirable behavior.

After seeing a set of indicators that ranked Georgia 48th among 50 states for families and children, Gov. Zell Miller formed Family Connection.

Union County Family Connection began in 1998 with coordinators Tim Gizzle (1998-2013) and Katy Jones (2013-present). Katy's greatest satisfaction is "knowing that there are kids and families who have been helped in some way that who would not have resources otherwise."

Tim noted that Family Connection is a tool that can be used to break generational poverty and dysfunctional situation by obtaining an education. "My satisfaction is knowing we have performed behind the scenes work that helps a child be able to sit in a classroom and learn rather than have their mind on being hungry, not enough clothes to wear, problems at home and things of that nature."

Community support for Family Connection is amazing. "Without that support we would struggle," said Katy. Tim added, "The support is invaluable. Without it we would be two-thirds less effective. The help we receive from the community is evidence that this is a great



Katy Jones and Tim Grizzle have served as coordinators of Union County Family Connection.
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place to live"

Funding comes from state grants, Union County Substance Abuse Grant (UCSAG), and the school system. The community provides money and in-kind donations. Money from the UCSAG is used to help bring awareness in the community.

Family Connection functions under the direction of an Executive Board (20 to 25 members) as the governing body with the school system being the fiscal agent.

The mentoring program is a vital part of Family Connection. "It is a way to serve students to provide a role model in their lives, an extra person who can be a friend and someone to talk to," said Katy. Mentors commit to once a week for about an hour on school grounds during the school year. The mentoring program has a proven positive impact resulting in better grades, improved attendance, fewer discipline referrals and improved confidence. There is always a waiting list of students needing a mentor. During the school year ending May 2014, 71 students had

a mentor and about 40 students were on a waiting list.

Family Connection uses its resources and connections to improve the lives for families and services. In the past school year, scores of families were helped in the holiday seasons of Thanksgiving and Christmas, more than 110 students obtained school supplies, nearly sixty families (ranging from one child to six children) received clothing assistance, students obtained health care, several families were helped with housing needs (some who were homeless), help in utilities, groceries, gas and nearly 20 with lice and hygiene products.

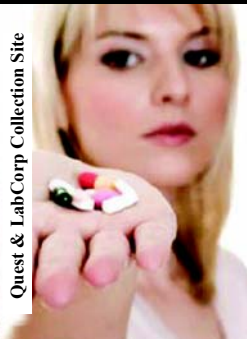
Family Connection provides many programs (including Niyelo) and helped with a program to provide food for students on the weekend. A Family Emergency Fund was established years ago. Tim recalled when he had to go out and beg for money, but as individuals, churches and organizations became aware of the program, donations continue to come in regularly without the staff having to solicit.

To learn more about Family Connection, visit www.union.gafcp.org.

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There is little difference in people, but that little difference makes a big difference. The little difference is attitude. The big difference is whether it is positive or negative.
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