

NEWS RELEASE

JOSEPH A. SMITH, JR.
COMMISSIONER OF BANKS

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N.C. Consumer Survey Notes General Satisfaction with Banking Services; Concerns over Mortgage Lending Fairness

RALEIGH—North Carolina consumers are generally satisfied with financial services in the state but indicated concerns about fairness of mortgage lending, according to the inaugural Financial Services in North Carolina Survey. The survey, conducted on behalf of the N.C. Office of the Commissioner of Banks, is the first poll ever of North Carolinians' perceptions of the fairness of the state's financial services industry and the NCCOB's role as regulator.

"We conducted this survey to better understand the public's view of the fairness of the financial services market and how we are doing in serving the public," said Commissioner of Banks Joseph A. Smith, Jr.

The survey identified general satisfaction with most financial services offered in the state, but highlighted some areas of concern. Some of the key findings of the study include:

- Residents were more concerned about the fairness of mortgage lending than any other type of financial services product.
- The top fairness concerns for financial services customers are:
 - fairness of checking and savings account rates and fees;
 - misrepresentation of mortgage information; and
 - fairness of fees charged for alternative financial services.

The survey also noted that 500,000 adult residents (8 percent of the state's total adult population) do not have an account at a depository institution.

"This survey highlights the need for better strategies to reach residents who do not have bank accounts or who rely solely on alternative lenders," said Commissioner Smith. "Too many North Carolina residents are outside of the financial mainstream and pay the price in higher costs and fewer opportunities to build wealth."

The executive summary is available on NCCOB's website at <http://www.nccob.org/NR/rdonlyres/8523DEE0-D912-4E6B-8397-DD45E76A6B/0/NCCOBExecutiveSummary.pdf> and the survey results are at <http://www.nccob.org/NR/rdonlyres/3AA6DED2-78ED-4340-B3F9-248ED05B4F7D/0/NCCOBConsumerBankingandFinanceSurvey.pdf>.

The survey was conducted by an independent third party, MarketSearch Corporation of Columbia, S.C., that polled 500 citizens from rural and urban counties across the state to represent a sampling of the state's population. NCCOB plans to conduct this survey annually to monitor public perception of financial services companies and NCCOB's effectiveness in regulating them.

NCCOB was established by the General Assembly in 1931. NCCOB currently regulates 99 state-chartered banks, thrifts, savings and loans, trust companies, and more than 1,600 mortgage lenders/brokers and 18,000 loan officers, as well as numerous consumer finance companies, check-cashers, and other financial services.

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