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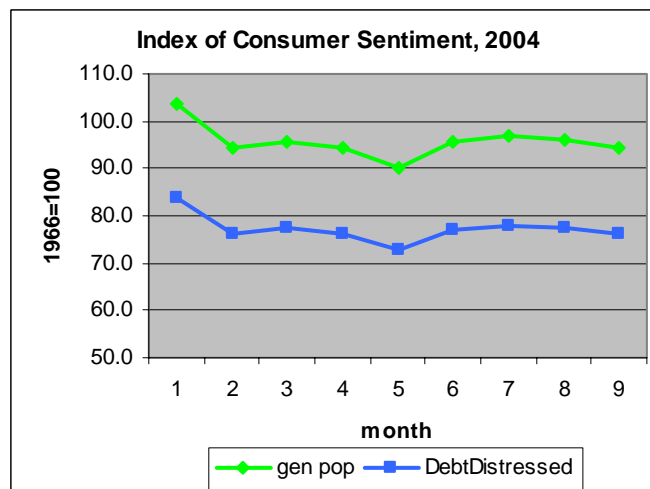
“Debt Distressed” Remain Pessimistic About U.S. Economy, But Optimistic About Their Future

InCharge® Institute Survey Finds Sentiments Lag General Population Attitudes

(ORLANDO, Fla.) November 29, 2004 – A survey of “debt distressed” individuals by InCharge® Institute, a national nonprofit organization specializing in personal finance education and credit counseling, has found that those Americans with financial difficulties lag behind the general population in their attitudes concerning an improved economic environment.

The survey, conducted in August 2004, sampled 590 debt distressed individuals who contacted InCharge® Debt Solutions – the credit counseling division of InCharge Institute – using standardized questions from the University of Michigan Consumer Sentiment Index that measures personal attitudes concerning the economy and personal financial health. The general population index was produced by the University of Michigan based on its survey of the general population.

Among the findings was that the “debt distressed” – defined as those actively seeking debt relief from a credit counseling agency – had less positive sentiments about both their current financial conditions and the future state of the economy on the sentiment index, 19 points below the general population of 95.9 percent.



“This attitude could reflect lost economic opportunities for the debt distressed,” explains Robert Barrett, president and chief executive of InCharge. “The decision to purchase a new home, taking a chance with a better job, or alternatively, seeking bankruptcy protection – when consumer confidence is low, your decisions reflect this confidence. So on top of their debt burden, these families also carry the added burden of anxiety, regret and lost opportunity.”

Yet among this financially stressed group, they remain positive about the future for the economy and about their ability to improve their personal situation. When asked about the economic outlook over the next five years, the sample was split 51-49 percent between “economic good times” and “economic bad times.” When asked about their finances over the next year, 51 percent expressed confidence that their own situation would improve with only 14 percent expressing the expectation that they would be worse off.

Expectations of Debt Distressed		
<i>Will Finances Be Better a Year From Now?</i>		
	Better off	51
	Same	35
	Worse off	14
<i>Business Conditions in the Next 12 Months?</i>		
	Good financial times	15
	Fair financial times	66
	Bad financial times	19
<i>The Economy in the Next 5 Years?</i>		
	Continuous economic good times	51
	Economic bad times	49

Barrett says the optimism stems in part from the knowledge that once people take a step toward correcting their financial problems and paring down debt in a systematic way, they generally feel more confident of their ability to regain control of their finances and their lives. “These people were not only debt distressed, but they were in the process of seeking a solution through credit counseling. Once people come to grips with their financial distress and decide to take action to turn things around, they can look ahead to the future with more hope and confidence that they are on a path to recovery. A positive attitude is enormously important to see the process through to financial stability and restoration of creditworthiness.”

The survey data was released as part of The InCharge Institute Economic Report, which presents the financial and economic situation of the debt distressed in light of developments in the larger economy.

Headquartered in Orlando, Florida, InCharge® Institute of America, Inc. is a national non-profit organization specializing in personal finance education and credit counseling. The InCharge Institute family includes InCharge® Education Foundation, which publishes YOUNG MONEY® magazine and *Military Money*™ magazine and offers basic financial management education to clients and the general public, and InCharge® Debt Solutions, which provides professional credit counseling and education services. InCharge is a member of the Association of Independent Consumer Credit Counseling Agencies (AICCCA). For additional information, visit www.InCharge.org.