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Kiplinger's

PERSONAL FINANCE



PESKY FEES

They're everywhere.
They're hard to spot.
They add up to serious money.

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MEAN-SPIRITED AIRLINES

SPIRIT AND ALLEGIAN AIRLINES HAVE taken a cue from European carrier Ryanair and adopted the a la carte model, discounting tickets but charging fees for everything under the sun. The airlines charge the typical \$35 to \$45 fee at the airport to check a bag (Spirit is upping its fee to as much as \$100 in November). Spirit dings you \$50 for a carry-on bag, and Allegiant charges \$35 (\$15 less if you pay online).

Want to choose your seat? You'll pay as much as \$50 on Spirit and \$75 on Allegiant. The newest fee this summer is for printed tickets. Airlines have long charged to print and mail a ticket (up to \$65 on some carriers). But Spirit Airlines, which already charges \$5 to print your ticket at the counter, will charge \$2 for printouts at a kiosk starting June 30. Print your boarding pass before departure. Before your return trip, use the hotel business center.

Adding insult to injury, the airlines charge usage fees to book tickets at their Web sites (up to \$33.98 round-trip for Spirit and \$20 round-trip for Allegiant). You may be able to scratch those charges by booking through a travel site such as Kayak. And unlike other airlines, Spirit and Allegiant don't charge a fee for buying a ticket at the airport.

Bottom line: Before you jump at a discount fare, add up all the extra fees and check fares from other airlines.

ONEROUS MORTGAGE FEES

YOU MAY BE PAYING HUNDREDS OF DOLLARS MORE THAN YOU NEED TO FOR CLOSING COSTS.

MORTGAGE LENDERS REQUIRE YOU TO PAY FOR A TITLE-INSURANCE POLICY THAT will protect them from legal challenges to your ownership of the property. The title insurer not only provides the policy but also generally arranges for a title search and designates a closing agent to handle settlement.



Most states set the premium that title insurers may charge for a policy in that state. However, the insurers have discretion to charge what they like for their services. Before you sign up for a lender or title company affiliated with real estate agents or loan officers, which will pay them a referral fee, check out the competition. You can cut the \$2,000 to \$3,000 cost by hundreds of dollars by shopping for a title service on your own. What you're really looking for is the lowest cost for all the things that the title insurer provides.

Ask for quotes from www.entitledirect.com, a title insurer that sells directly to consumers in 39 states, and www.titleinsurance.com, which represents six of the major title-insurance underwriters in 38 states. Also compare costs at a local title-insurance agency that's not affiliated with a real estate brokerage or lender.

LENDER'S ORIGIN-ATION FEE. Also called an underwriting, administrative or processing fee, it can run you an additional \$2,000 to \$3,000. Lenders must give you an estimate of it and other closing costs within three days of receiving your loan application. Compare origination fees from several lenders, but exclude fees the lender doesn't control,

such as payments for settlement services, taxes and escrowed funds. (A new loan-estimate form due out in July from the Consumer Financial Protection Bureau should make the comparison easier.)

ABC FEE. Real estate brokerage companies often charge both buyers and sellers this fee, which may be called

an administrative brokerage commission, transaction fee, administrative fee, regulatory fee or compliance fee. It typically costs each party \$100 to \$300. Agents should disclose this fee upfront. Ask them to strike it from the seller's listing agreement or the buyer's representation agreement. If an agent refuses, hire another agent.

POWER TO THE PEOPLE: OCCUPY THE FEE-OSPHERE

LAST OCTOBER, BANK OF AMERICA abandoned a plan to charge its customers a \$5 monthly fee to use their debit cards for purchases. Then, in late December, Verizon Wireless retracted plans to impose a \$2 fee on customers who paid their bill online using a credit or debit card. In both cases, a torrent of customer complaints sent over social media helped persuade the

companies that the potential gains weren't worth the damage to their reputation.

Whether you are complaining about a one-off issue or about a company's global pricing policies, using social media to make your complaint public and apply peer pressure can elicit a quick response. Facebook and Twitter are the most popular forums to drum up support.

In the case of the Bank of America debit card fee, consumers also started a grass-roots campaign against the fee using an online platform at Change.org.

If a business has a strong presence on Twitter, that's probably the fastest way to get your message out. Search for the company's name at Twitter.com, and address your tweets to the business's

account. (If your search turns up a page designated for customer service, send your messages to that account.) You can publicly tweet your dissatisfaction if the private exchange proves to be fruitless. So that all of your followers will see your tweets, sandwich the name of the company in the tweet, with at least one word before the company name.