

MONEY WRAP

Toll signed contracts up 42 percent

Luxury homebuilder Toll Brothers Inc. said Tuesday that homebuyers returned in droves during the fourth quarter, resulting in a 42 percent increase in signed contracts.

Revenues for the quarter, however, still dropped 30 percent from the same period a year ago, and backlog was down 34 percent.

In a statement, CEO Robert Toll said demand remains volatile, likely because homebuyers still are concerned about job losses. Toll and other officials with the Horsham company will discuss fourth-quarter results further during a conference call this afternoon.

Fred Beans announces changes

The Fred Beans family of car dealerships will move its Buick-GMC franchise and its Saturn service department starting next week, filling space vacated by the loss of Pontiac and Saab.

On Monday, the Buick-GMC franchise will leave the Chevrolet facility on North Easton Road in Plumstead and move next door to the showroom and customer area built for Saab in 2004. Buick-GMC and Cadillac will share service space, but customers will have their own showrooms, lounges and service write-up areas.

The following week, Saturn's service team will move from the dealership on Swamp Road to join the Chevrolet service department on North Easton Road. Beans will continue servicing the brand even after its demise next year. The company hasn't decided what to do with the Saturn building, built in 1991 as one of the first Saturn dealerships in the country.

Madoff associate will bulk of fortune to charity

A man who made billions of dollars off Bernard Madoff's Ponzi scheme signed a will leaving the bulk of his fortune to charity, but the gift's ultimate size may depend on legal wrangling over how much of the money rightfully belongs to cheated victims.

Jeffrey Picower, 67, a prominent philanthropist, drowned after suffering a heart attack in the swimming pool of his Palm Beach, Fla., mansion on Oct. 25.

Unlike some other Madoff investors, he died a rich man. The trustee unraveling Madoff's financial web said Picower withdrew some \$7 billion from his Madoff accounts over the decades — well more than he invested.

Cheesecake Factory to pay \$345K in lawsuit

National restaurant chain The Cheesecake Factory Inc. has agreed to pay \$345,000 to settle a federal lawsuit alleging it let some male employees sexually harass other male workers in suburban Phoenix.

The settlement announced Tuesday by the U.S. Equal Employment Opportunity Commission includes a requirement that the company train its employees and managers about sexual harassment.

The EEOC lawsuit alleged company managers knew about repeated sexual assaults against six male employees by a group of male kitchen staffers at a restaurant in Chandler, Ariz., but did not intervene.

The Cheesecake Factory, based in Calabasas, Calif., said in a statement that the claims had no merit and it does not tolerate sexual harassment. It said it agreed to settle to avoid the disruption and expense of continued litigation.

Go figure \$4.8 million

Third-quarter revenues reported by Horsham-based software provider Astea International Inc., compared to \$5.4 million a year ago. Net loss for the quarter was \$400,000, compared to a loss of \$1 million a year ago, and the company expects to turn a profit in the fourth quarter.

Expert: Retail industry a mixed picture

While consumers seem to be willing to spend, shopping center vacancy rates have hit a high, an economist said.

By **CRISSA SHOEMAKER DEBREE**
STAFF WRITER

A retail expert delivered both good news and bad news about the industry Tuesday during a meeting of the Philadelphia Council for Business Economics.

The good news, economist Michael

Niemira said, is that consumers seem to be opening their wallets more and more.

The bad news is that the retail industry itself hasn't quite seen the bottom — especially when it comes to real estate.

"We don't think the industry is out of the woods," said Niemira, chief economist for the International Council of Shopping Centers. "We think, at best, the

bottom is probably still a year away."

The vacancy rate at the nation's 104,000 shopping centers hit a high of 11 percent during the third quarter, propelled by widespread store closures by national retailers like Ritz Camera and Eddie Bauer.

Niemira predicted that going forward, shopping centers will find it difficult to fill those vacancies because retailers aren't opening new stores.

"Up until earlier this year, it really has



Michael Niemira

leading industry group, the National Retail Federation, which expects sales to

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ASSOCIATED PRESS FILE PHOTO

Homeowners met with a counselor at the Cow Palace in Daly City, Calif. Thousands of homeowners turned out to an event sponsored by Neighborhood Assistance Corporation of America, a Boston-based nonprofit helping people to restructure high risk loans. After a slow start, the Obama administration's mortgage relief program has reached one in five eligible homeowners, a government report said Tuesday.

Housing plan reaches 1 in 5 borrowers

The program aims to reduce monthly payments to more affordable levels.

By **ALAN ZIBEL**
ASSOCIATED PRESS

WASHINGTON — The Obama administration's mortgage relief program has reached one in five eligible homeowners, a government report says, but most of those borrowers are on temporary trial plans that have yet to be made final.

As of the end of October, more than 650,000 borrowers, or 20 percent of those eligible, had signed up for trials lasting up to five months, the Treasury Department said Tuesday. The modifications reduce monthly payments to more affordable levels.

To make the change permanent, though, borrowers must complete a big stack of paperwork and show they can make their payments on time. At the beginning of September, only about 1,700 permanent modifications had been made. The Treasury Department expects to release updated data later this month.

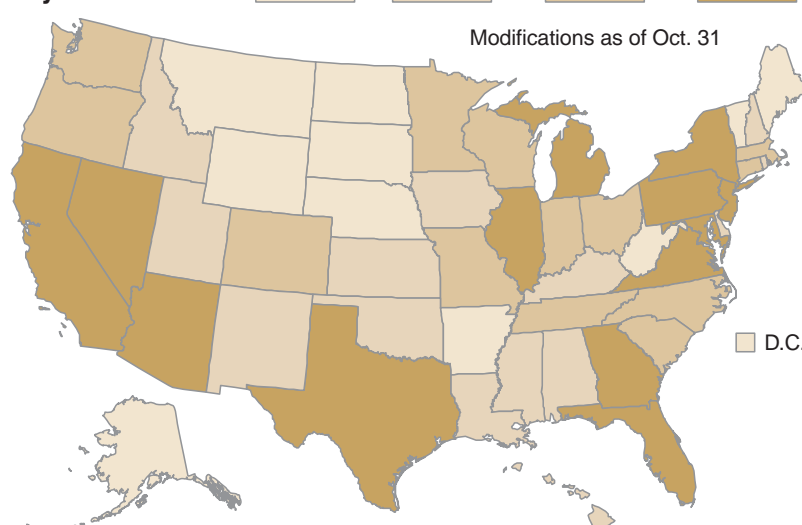
"We're seeing some early indications

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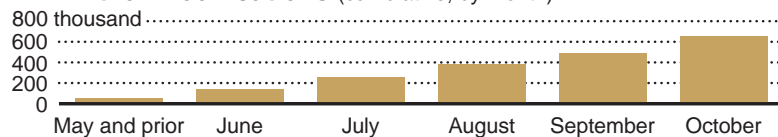
Mortgage relief program expands

Thousands of mortgages were altered this year using the Home Affordable Modification Program (HAMP).

HAMP activity by state



HAMP trial modifications (cumulative, by month)



SOURCES: Making Home Affordable Program; Mortgage Bankers Association AP

Checking accounts: A new source of fees?

By **CANDICE CHOI**
ASSOCIATED PRESS

NEW YORK — First, terms on credit cards got harsher. Now some Americans are seeing higher fees on their checking accounts.

Citibank customers with Access or EZ checking accounts will now be charged a \$7.50 monthly fee unless they maintain a \$1,500 balance. Previously, the monthly fee was waived if customers set up direct deposit for paychecks or two automatic bill payments.

Those measures will no longer automatically qualify customers for the fee waiver. The change takes effect in February; customers will be notified this month.

Natalie Ripper, a Citi spokeswoman, said the change will "impact a relatively small percentage of our customers" since most people maintain the \$1,500 balance. She declined to give specifics on how many people would be affected.

Meanwhile, Bank of America raised its monthly fee on checking accounts to \$8.95 in June, up from \$5.95. The North Carolina-based company will continue to waive fees for customers who set up direct deposit, maintain a \$1,500 monthly balance or open accounts online.

The change by Citi comes as Congress considers legislation that would limit banks' ability to levy overdraft fees on checking accounts. In recent years, it has become the industry norm to automatically

enroll customers in overdraft programs.

Consumer advocates say the programs are misleading because most people assume they can't spend more than they have with debit cards. Fees for overdrawing an account can be as much as \$35 per violation.

The scrutiny over bank fees in the past year has led to a sense in the banking industry that "free checking as most of us know it can no longer exist," said Bob Meara, a senior analyst at Celent, a Boston-based financial research firm.

That's because overdraft programs have been a critical source of revenue for the industry.

In 2007, banks earned about \$29 billion from overdraft fees, according to Oliver Wyman, the parent company of Celent.

Stocks zigzag after rally

By **SARA LEPRO**
AND **TIM PARADIS**
ASSOCIATED PRESS

NEW YORK — Investors cooled their buying of stocks and commodities, pausing from a surge that carried major stock indexes to their highest levels in more than a year.

Stocks ended mixed Tuesday. The Dow Jones industrials tacked on 20 points a day after shooting up 200 points for the second time in three days.

The market again took its direction from the dollar, as it has for months. Stocks drove higher Monday as the dollar weakened and slipped Tuesday as the currency rose.

The Dow swung in a range of about 60 points in light trading as investors increased their buying of safe-haven assets like the dollar and Treasuries. The ICE Futures US dollar index, which measures the dollar against other currencies, edged higher.

"People are reaching for a little less risk today after we've had such a run," said Bill Stone, chief investment strategist at PNC Wealth Management.

Record-low interest rates in the U.S. and the resulting slide in the dollar have been major forces behind the surge in stocks in recent months. A weaker dollar allows investors to borrow money cheaply, while the low interest rates also encourage them to hold any assets other than low-yielding cash, such as stocks, commodities and bonds.

The falling dollar has enabled many investors to look past some of the economy's persistent trouble spots, including unemployment. The jobless rate rose to 10.2 percent in October, the highest level in 26 years.

A number of market watchers still believe the recent surge in stocks has been overdone given the weaknesses that remain in the economy, such as the large amounts of souring loans on banks' balance sheets.

Still, some analysts said the market's ability to hold its gains is a welcome sign.

Ryan Detrick, senior technical strategist at Schaeffer's Investment Research, said it is encouraging that the market is holding its gains and isn't as volatile as last month when big advances would be followed by big drops. He said a day of modest moves is a healthful sign of a market consolidating its gains.

"It's kind of what you call a coffee day," he said, referring to the market's small moves. "We expect that we'll continue to stair-step higher to the end of the year."

The Dow rose 20.03, or 0.2 percent, to 10,246.97, its fourth straight advance and its highest close since Oct. 3, 2008. The Dow traded up to 10,260.80, a 12-month.

The broader Standard & Poor's 500 index fell 0.07, or less than 0.1 percent, to 1,093.01, after six straight days of gains. The Nasdaq composite index fell 2.98, or 0.1 percent, to 2,151.08.

Three stocks fell for the very two that rose on the New York Stock Exchange, where volume came to 1.1 billion shares, compared with 1.2 billion Monday.

