Spring 2017

Empowering Financial Success®

10 tips for staging your home to sell

If you want your home to sell fast, decorating and decluttering to “set the stage” for potential buyers should be at the top of your to-do list. Staging your home showcases its best features and helps buyers visualize their families in the space.

Here are 10 tips to get you started.

1 | **Apply a fresh coat of paint in neutral colors.** It’s also a good idea to remove outdated wallpaper as potential buyers may not share your design taste.

2 | **Open blinds and drapes to let in natural light.** Replace or remove old blinds and clear your light fixtures of dust and cobwebs.

3 | **Make repairs where needed.** Fix running toilets, squeaky doors, chipped paint, broken fixtures and anything else that will distract from the desirability of your home.

4 | **Remove all personal items and photos.** You want a buyer to picture his or her family in the space, not yours. Store the kids’ toys away, too.

5 | **Clean inside and out.** Mop, dust, vacuum, repeat. No one wants to move into a house with a moldy shower or sticky refrigerator. If you can’t handle the cleaning yourself, hire a company to do it for you.

6 | **Spruce up landscaping.** Plant flowers, trim bushes, weed the garden, mow the lawn and fix any unsightly cracks in your driveway or sidewalk.

7 | **Declutter your space.** Clean up rooms, closets, cabinets, drawers and bathrooms, especially bathrooms. Stow away your personal hygiene items and medications as well.

8 | **Remove odors.** Clean and deodorize, paying special attention to bathrooms and places where pets and kids congregate. Use baking soda and lemon to remove sink and garbage disposal odors.

9 | **Replace worn out furniture and carpet.** Remove any furniture that is too big for your space, as large pieces can make a room look smaller.

10 | **Update lighting.** Dark homes can appear dreary. Installing new pendant lights and ceiling fan fixtures can make a big difference when it comes to selling your home.

Being smart about buying a new home is just as important as being clever about selling your old one, and we can help. Contact us at 1-800-359-1939, option 2, or check out www.cafcu.org/HomeLoans for a mortgage that fits your budget.

EMPOWERING TIP

Tax season is stressful enough without the threatening and aggressive tactics of scammers impersonating the IRS. **Learn how you can avoid falling victim on page 2.**

5 things the IRS will never do

In recent years, thousands of people have lost substantial amounts of money, as well as precious personal information, to tax scams. Although you may think you're too savvy to fall victim, it's important to remember that every year, criminals find new and creative ways to cheat you out of your money and identity.

Phone scams, in which a caller claiming to be a representative of the IRS demands payment of an unpaid balance, are one of the most popular methods of fraud. And scammers have a lot of practice sounding convincing. They may even have figured out how to make it look like the call is coming directly from the IRS on your caller ID.

Scam emails, another method of fraud favored by criminals, will make the claim that there was a problem with your tax filing or you're owed a refund in order to gain access to your personal information.

Take note of these red flags

How can you protect yourself from these scams? A little awareness can go a long way. Here are five things that the IRS will NEVER do:

1. Contact you via email, text message or social media without first mailing a bill.
2. Threaten to sue, arrest or deport you for nonpayment.
3. Demand you give a credit card number, Social Security number or other personal information over the phone or through email.
4. Require use of a specific payment method such as wired cash or a prepaid debit card.
5. Become belligerent. The IRS will never use threatening or profane language to intimidate you.

Learn about how CAFCU helps you protect your identity and personal information at **www.cafcu.org/MemberAlerts**.

Have you achieved financial balance?

BALANCE is a financial fitness program that empowers you to set financial goals, develop spending and savings plans or access financial counseling and begin a debt management program. Provided at no cost to Corporate America Family Credit Union members, BALANCE helps you get organized and connect with certified financial professionals.

You can do it!

Several features of BALANCE can help you design a financial strategy that allows you to reach your financial goals.

Credit Report Review: A counselor will review your credit report with you, making sure you understand the content and know your rights.

MyBalance: A self-guided online tool that helps you create a budget that is both realistic and true to your goals.

BalanceTrack: Offers online modules to guide you through key components of personal financial management.

Personal Financial Assessment: A worksheet that helps you evaluate your current financial situation.

Money Management Planner: Helps you set financial goals, determine your net worth and identify your expenses.

Fritter Finder: Allows you to chart your week's expenses and identify exactly where your money goes.

Financial Education Resources

Visit **www.cafcu.org/FinancialEducation** to access financial education anytime you need it. Increase your know-how with articles, calculators, videos, checklists, quizzes and more.

To learn more, call the BALANCE InfoLine at **1-888-456-2227**.

Certified Financial Counselors are available:

Monday – Thursday: 5 a.m. – 8 p.m. PST

Friday: 5 a.m. – 5 p.m. PST

Saturday: 8 a.m. – 5 p.m. PST

Are you a money-smart millennial?

If you're like most millennials, you're probably feeling the pain of living paycheck to paycheck and wondering how you're ever going to pay off those student loans, much less save for retirement. If this sounds like you, don't despair. Many employers now offer financial literacy tools as part of a benefits package to help you gain control of your finances. If your employer doesn't, you can educate yourself. Financial wellness is defined as the ability to effectively manage your short-term finances while saving money for future goals (e.g., retirement, kids, vacations).

So how do you begin to take control? It helps to first know what you don't know. Take this quiz to discover how financially literate you are.

1 What's a FICO?

a. A type of retirement fund

b. A credit rating scoring system

c. A life insurance policy

2 Who needs life insurance?

a. Only people in poor health

b. People age 65 or older

c. Anyone with dependents (e.g., spouse, kids)

3 How much money should you have in an emergency fund?

a. Enough to cover a month or two of expenses

b. Enough to cover six months of expenses

c. You don't need an emergency fund

4 What's the best way to meet a savings goal?

a. Set aside a defined dollar amount every month into a savings account

b. Save as much as possible when you can

c. Hit up mom and dad for cash

5 You should carry a balance on your credit card to maintain a healthy credit score

a. True

b. False

c. Don't know

Answers:

1 b. FICO is a scoring system used to determine your credit rating. The higher your FICO score, the better your credit.

2 c. Life insurance is necessary to protect your assets and ensure your loved ones receive the financial support they need in the event the unexpected occurs.

3 b. Enough to cover six months or more of living expenses. An emergency fund is necessary should you lose your job, need to pay a large medical bill or incur other necessary expenses.

4 a. Determine how much you want to save and set aside a specific amount every month to work toward that goal.

5 b. You don't need to keep a balance on your credit card to maintain a good credit score, but you do need to pay off the balance on your card each month to avoid paying interest.

Inspired enough to further educate yourself about financial matters? Bookmark www.cafcu.org/FinancialEducation for a wealth of no-cost resources at your disposal.

Connect with us

Online
www.cafcu.org

Phone
1-800-359-1939

Visit **www.cafcu.org/rates** for current rates

eNewsletter
www.cafcu.org/newsletters

Holiday Closings

Memorial Day
Monday, May 29

Independence Day
Tuesday, July 4

Labor Day
Monday, September 4

Get the CAFCU app!

Manage your CAFCU account anytime on-the-go with our Mobile Banking App. Check account balances, transfer funds, apply for loans, pay bills and find ATMs nearby. The list goes on! Visit **www.cafcu.org/app** to learn more.

What level are you? The more involved you are with CAFCU, the higher your Member Loyalty Level and the greater the discounts on loans you can receive. Call our Member Center at **1-800-359-1939** to find out more.

'Honey, will you open a joint account with me?'

There are big steps in every relationship. Meeting each other's parents. Going on a trip together. Opening a joint checking account? Indeed, deciding to open a joint account can be a significant commitment. And there are some very practical benefits to having one. But joint accounts aren't a good fit for every couple. Learn why opening a joint account may or may not make sense for you and your partner.

Why it may make sense

A shared account is convenient for shared expenses. Some couples may use a joint account for most expenses, while others may only use the account for bills such as rent and utilities.

Pooling your income and expenses makes your finances clearer. When you both use the joint account for almost everything, it allows you to see your cumulative financial standing at all times. Plus, discussions about money become a lot easier when there's a level of transparency to begin with.

When there's an emergency, money can be more easily accessed. If there's a situation where you need access to your partner's money, such as if he or she's been hospitalized, then sharing the same account can prevent bills from becoming long-standing debts.

Why it may not make sense

Your spending habits may not be compatible. If one of you tends to spend more than the other, you may run into conflict. By keeping separate pools of money, you can worry less about spending your fair share and more about managing your own money.

A joint account may be susceptible to debt collection. Creditors may attempt to levy your joint account to settle debts, even if only one of you owes money. Note that this can only be done if you're unmarried or are married and live in certain community property states.

You could face taxes for withdrawing too much. If the joint account started as an individual account, then the newly added account owner might have to pay a gift tax if he or she withdraws too much ($14,000 in 2017).

Thinking of opening a joint account or adding someone to your account? Stop in one of our branches to discuss your options or call **1-800-359-1939, option 4**.