

Fall 2014

Empowering Financial Success



Your guide through the home-buying process

Buying a house is one of the most important decisions you'll ever make. It can help improve the quality of your life and add to your financial security.

Before you begin house hunting, talk to us. Our mortgage specialists will be happy to guide you through the buying process, which includes these important steps:

- 1 | Calculate how much home you can afford.**
In the past, many lenders required that monthly housing expenses not exceed 28% of your gross monthly income or 36% when combined with other debt. However, that is no longer a universal rule.
- 2 | Determine the size of your down payment.**
The larger your down payment, the lower your monthly mortgage payment. If your down payment is less than 20%, private mortgage insurance (PMI) may be required.
- 3 | Consider which mortgage program is best for you.** A Fixed-Rate Mortgage enables you to lock in today's rate and enjoy the security of knowing what your mortgage payments will be for the life of the loan.
- 4 | An Adjustable-Rate Mortgage (ARM)** offers a low fixed rate for an initial time period — anywhere from five years up to seven years — so that you can have a lower mortgage payment for a period of time as compared to a Fixed-Rate Mortgage. The ARM then adjusts to a variable rate, with annual and lifetime interest rate caps.
- 5 | Take closing costs into account.** There may be costs such as a property appraisal, house inspection, and credit report due upfront, and

origination fees, title insurance, and settlement fees due at closing. Our mortgage loan specialists will give you a written estimate of the funds due at closing so there will be no surprises.

6 | Get pre-approved for a mortgage. By speaking with one of our mortgage specialists in advance, you can get a good idea of your borrowing power. Plus, a pre-approval letter shows the home seller that you are a serious buyer, prepared to act quickly.

We're certain our mortgage loan services will make you feel right at home. Apply online or call today to take advantage of a limited-time-only offer of **\$500 off your closing costs!***

Now offering **\$500 off***
your closing costs on a new Mortgage Loan for a limited time! Learn more by calling **1-800-359-1939, option 2.**

* Offer valid on a new Mortgage Loan application from Corporate America Family Credit Union (CAFCU) beginning August 11, 2014, for a limited time only. \$500 off closing costs may not be combined with any other offers or discounts and may be withdrawn at any time. Usual credit criteria apply. To be eligible for this offer loan must close within 90 days of application. CAFCU members are responsible for all other fees and services at closing. Offer not redeemable for cash. Contact a CAFCU Real Estate Loan Officer for complete details.

EMPOWERING TIP

Monitor your credit by requesting a free report once a year from each of the credit bureaus through www.annualcreditreport.com.



Packing for a trip? 8 things to remember

Make a list of your must-haves, save it and check it every time you are packing. Here are some ideas to help:

Don't forget

- > **Phone charger.** A phone that runs out of juice during a vacation can be a major inconvenience. Make your charger one of the first things you pack, and have a designated spot for it so it's easy to find. Consider bringing a car charger if you will be on the road.
- > **Program your phone.** Having the numbers for airlines, hotels and taxis at your destination can be a great time-saver. You may want to store this travel checklist on your phone.
- > **Passport/photo ID, tickets and itinerary.** Make sure your passport is up-to-date in advance of a trip to a foreign country — don't forget that you need a passport when traveling to Canada and Mexico. Remember your photo ID,

even for domestic travel. An itinerary with addresses, opening and closing times, ticket costs, etc. can be a huge help in getting where you need to go.

- > **Medications and eyewear.** Prescription and other medications should be in your carry-on luggage. However, you'll want to check with your airline carrier for any rules and restrictions regarding traveling with medications. If you wear prescription glasses or contacts, these should be in your carry-on bag as well.
- > **Adapters.** Want to use electronics in a foreign country? You'll need an appropriate adapter to plug it in. A converter may also come in handy if a voltage change is needed (such as for razors or curling irons).
- > **Camera, memory card and batteries/charger.** If this is a special trip and you forget your camera, you'll be kicking yourself and may not want to be at the mercy of your phone's camera.

> **Gifts.** Traveling for the holidays? Don't leave the gifts behind! You may want to ship them ahead to avoid dealing with unwrapped gifts in your luggage.

> **Credit card.** Renting a car, seeing sights, paying for dinner, treating yourself to a special souvenir — your credit card simplifies travel and is easier to carry than a wad of cash. A Corporate America Family Credit Union (CAFCU) Visa® Credit Card is accepted around the globe, providing ease and convenience. And to top it off, we offer travel insurance benefits for your peace of mind!

Access CAFCU through online or mobile banking and easily keep track of your finances. Visit www.cafcu.org to learn more.

Keeping tabs on spyware

If you've spent much time surfing the web, chances are you've received a fair number of pop-up advertisements — those annoying little browser windows that clog the screen when you're trying to view a website. They might advertise a product or say you've won a contest you didn't enter. Be careful, these pop-up ads can be more than annoying — they could be an indication that your computer has been infected with what is known as spyware.

Spyware is a computer program installed on your computer without permission that can monitor your internet activity, force your computer to view those annoying pop-up ads or even redirect you to certain websites.

Indications of a spyware infection can include an unwanted change in your homepage, random error messages, sluggish computer performance, new or unexpected icons on your computer or suddenly being taken to a different website.

Protect yourself

Take control of your computer's security settings. Here are some ways to defend against spyware and other malicious electronic programs:

- > Install anti-virus and anti-spyware software and run them regularly. Many anti-virus programs already include spyware protection that simply needs to be turned on.
- > Consider additional security software that protects your account(s) from fraudulent transactions. For example, Trusteer Rapport is widely used software that offers additional security and blocks malicious attempts to access or steal personal information or money from your account. Corporate America Family Credit Union offers this security software at no cost to our members. More information can be found at www.cafcu.org/trusteer.



- > Only download software from sites you know are secure and have earned your trust.
- > Never click on any links in an email you receive from a sender you don't know or trust.
- > Update your operating system (Windows for PCs, OS X for Macs) regularly.

If you do find spyware already installed on your computer, delete it immediately and run your anti-virus and anti-spyware programs to clean your computer.

Brake for these auto-buying tips

If you're thinking of purchasing a vehicle, the following tips may help you save money and avoid bumps along the way.

1 | Consider your needs. Do you need an automatic or manual transmission? How many people will typically ride with you? How ample is your parking area? What kind of driving conditions do you routinely face? Focus on how the vehicle will be used, rather than which vehicles are the most stylish or popular.

2 | Let your budget drive you. Online calculators can help you estimate expenses and payments. Along with monthly loan payments, remember to factor in insurance, maintenance and fuel costs.

3 | Investigate prices. To improve your negotiating position, learn the invoice price, MSRP (Manufacturer's Suggested Retail Price) and average selling price of any car you are considering. You can find an excellent resource for doing this at www.cafcu.org/GrooveCar.

4 | Research your top picks. If you're shopping for a used car, run a vehicle history report, based on the vehicle identification number (VIN). This can help determine whether the vehicle has ever been severely damaged by accident or flooding, for example. If you're shopping for a new car, check out industry reviews and consumer ratings.

5 | Visit us first. A dealer's "special" financing may be tempting, but keep in mind that you may not qualify, and other options might be a better deal. Corporate America Family Credit Union's Vehicle Loan rates are some of the best around, so check us out before you begin car shopping.

Put yourself in the driver's seat
Find many of the tools you'll need to make an informed auto-buying decision at www.cafcu.org/CarBuying. We can also help if you need preapproval, a title loan, or if you want to refinance! Call **1-800-359-1939**, stop by the nearest branch or visit us online at www.cafcu.org/VehicleLoans.



GAP insurance coverage for vehicle loans

Accidents happen. But what happens if your car is totaled, but its value is less than the amount you still owe on your vehicle loan? It's called a coverage gap, and you may have to pay the difference out of pocket.

That's where Guaranteed Asset Protection (GAP) can be a financial lifesaver! A GAP policy covers the difference between your loan balance and the amount your insurance policy would pay out if your vehicle were damaged beyond repair (totaled) or stolen and never recovered. It pays the "gap" so you aren't burdened by the remaining balance of the loan.

GAP coverage is particularly important if you haven't made a large down payment on a vehicle. The value of the car may drop as soon as you drive it home — so it's common to owe more than the car is worth if you finance the purchase price. It also may be required if you lease rather than purchase a vehicle.

Coverage you can count on

GAP coverage is inexpensive and can be financed into the cost of your Vehicle Loan with Corporate America Family Credit Union. Call **1-800-359-1939** or visit www.cafcu.org/VehicleLoans or today to get a quote for a Vehicle Loan or refinance, and don't forget to ask about our GAP policy!*

* Your purchase of MEMBER'S CHOICE™

Guaranteed Asset Protection (GAP) is optional and will not affect your application for credit or the terms of any credit agreement required to obtain a loan. Certain eligibility requirements, conditions and exclusions may apply. Please contact your loan representative, or refer to the Member Agreement for a full explanation of the terms of GAP. If you choose GAP, adding the product fee to your loan amount will increase the cost of GAP.

DPGAP-1013-5259



Online
www.cafcu.org



Mobile
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Phone
1-800-359-1939



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Holiday Closings

Veterans Day

Tuesday, November 11

Thanksgiving

Thursday, November 27

Friday, November 28

Christmas

Wednesday, December 24

Thursday, December 25

New Years Day

Thursday, January 1

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Spread holiday cheer on a budget this year

Is it possible to save, shop and be merry this holiday season? Sure it is! The National Retail Federation offers these budget-friendly shopping strategies:

- 1. Plan ahead.** Make a list of everyone you need to buy for and how much you plan to spend. Stick to this list.
- 2. Shop early.** Purchase gifts throughout the year or earlier in the season. If you leave shopping until the last minute, you may make purchases you don't need because you are feeling rushed and frustrated.
- 3. Sign up for emails from favorite retailers.** Many retailers reward email subscribers and loyal customers with discounts.
- 4. Compare prices.** Save time and gas money by checking prices online. If you've signed up for retailer emails and shop early in the season, you can likely enjoy the perks of discounted prices and shipping!
- 5. Don't dismiss gift cards.** They are ideal for all ages and are a great way to stick to your budget. Corporate America Family Credit Union (CAFCU) has gift cards your friends and relatives can use wherever Visa® debit cards are accepted. And what could be easier to ship?

We can help you save

If you have a CAFCU Visa Credit or Debit Card and are a member of our Extra Awards® program, you can earn points on purchases that you can redeem for even more gifts! Visit www.cafcu.org/awards to learn more.

Happy holidays!