

No closing costs & a great rate!*

May 2008

Get both from the area's #1 residential mortgage lender!

There are plenty of reasons your credit union leads the market in residential mortgages: Low rates, low or no closing costs, wide variety of mortgage products, same-day approvals on most loans, more ways to apply (**including online**) and friendly, professional advice throughout the entire process. So if it's your time to borrow for a new home, or if you're looking for a more favorable rate (or term) on your existing mortgage from another lender, give us a call.

In Ithaca, talk to:

Martha Preston, Triphammer branch — 607-257-2822
Kimberly Rozell, East Hill branch — 607-277-1419

In Cortland talk to:

Jody Dombert — 607-756-6968

*To qualify for any promotional rate and/or no closing costs, you must have or open a Premiere Checking account with autopay. No closing costs with 3-year recapture, up to 90% maximum loan-to-value for purchases, 80% loan-to-value for refinances. No refinances of CFCU loans. \$500 application fee refunded at closing, owner occupied single-family residential properties only. Loans greater than 80% loan-to-value ratio may require private mortgage insurance. Please call the Credit Union to obtain more information and a list of closing costs that are covered by this program. The Credit Union reviews every loan application individually to ensure fairness and compliance to CFCU policy.



Pre-qualification vs. Pre-approval

What's the difference? Why are they important when buying a home?

Pre-qualification: Here you share your financial information with a lender so an estimate can be given as to how much money you're qualified to borrow. Pre-qualification should be your first step in buying a home. That's because it is the only way you can know for sure how much home you can afford. Knowing this can give you a clear sense of direction and save you time, effort and frustration in the shopping process.

Pre-approval: This entails completing a formal loan application so you know how much money you're approved to borrow. Pre-approval and having that approval letter in hand gives you negotiating strength when you make an actual offer. For more useful information about buying a house, visit Mortgage Connection on our website at www.mycfcu.com.

Adjustable or fixed—Which mortgage is better for you?

To determine which mortgage option is right for you, ask yourself these important questions: How long do I plan to stay in the home? How often does the adjustable rate mortgage (ARM) adjust? What's the interest rate environment like? Could I still afford the monthly payment if interest rates rise significantly?

Here are some pros and cons for each option.

ARM pros:

- Lower initial rates and payments
- Capitalize on falling rates when they occur without refinancing
- Good way to save—Borrowers can invest monthly payment difference (If monthly payments are less than with a fixed-rate mortgage, the difference can be invested in a high-yield vehicle.)
- Lower-cost alternative for borrowers who don't plan on living in the same place for too long

ARM cons:

- Rates and payments can raise significantly over the life of the loan
- Initial lower rate will eventually adjust to a level higher than a fixed-rate loan in almost every case
- ARMs can be difficult to understand when determining margins, adjustment indexes, caps, etc.

Fixed pros:

- Rates and payments remain constant for the life of the loan no matter what happens with inflation and the rate environment
- Payment security makes budgeting easier
- Simple to understand
- Lower-cost alternative if you plan on living in the same house for a number of years

Fixed cons:

- Taking advantage of falling rates would mean refinancing with possible closing costs
- Can be more expensive, especially in high-rate environments

For solid advice on the best mortgage for you, talk to the home loan professionals at CFCU.

Protect your identity at all times

Local consumers have been hit with a new wave of phishing and vishing attempts by scammers to steal personal information for fraudulent purposes. Although we do everything possible to protect your information and accounts on our end, your best defense against identity theft is knowing how these scams work and never giving out your social security number, account numbers, passwords, etc. in response to unsolicited e-mails, phone calls or text messaging. **Know that CFCU already has your information on file, so there's no need for us to ask for it in this manner!**

How scams work

Phishing scams have been around for a number of years. Crooks send out e-mails telling you that your account has been compromised and asking you to click on

a link provided in the e-mail. Clicking on the link takes you to a look-alike website where you are directed to verify your personal information. A new scam, called vishing (voice phishing), uses the phone to get your personal information. Like phishing, the scam starts with an e-mail alerting you to a problem with your account. But instead of a link, you are asked to call a toll-free number. From



there on, automated messages prompt you for your account number, security PIN, date of birth, etc.

Protect yourself...

- Disregard all e-mails, phone calls and text messaging that request personal information
- Never click on a link or call the number provided in an e-mail
- If in doubt about a message's authenticity, initiate contact with the financial institution yourself using contact information you know is accurate (find this information on the back of your credit card, debit card, statement, etc.)
- Review account statements regularly and look for unusual activity

If you fall victim to one of these scams, act immediately by notifying your financial institution.

Long-Term Care

Today, there is less likelihood that a family member will be able to help should you need long-term care. It is vital to prepare for the prospect of needing long-term care with a sound financial plan. Medicare and Medigap were never meant to pay for services that address long-term care needs. Long-term care insurance planning may help. Call the financial consultants at Wealth Management for an appointment to see if this is something you might benefit from.

Call 607-257-3282, ext. 299

Or 1-800-428-8340, ext. 299

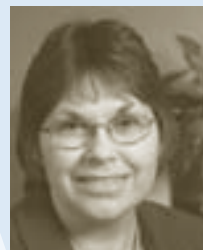
1050 Craft Road, Ithaca, NY

**wealth
Management**

Located at CFCU Community Credit Union



Bill Murphy, CFP®
Financial Consultant



Nancy Kehoe
Financial Consultant

Securities, asset management and financial planning offered through LPL Financial. A Registered Investment Advisor. Member FINRA/SIPC. Products are not NCUA insured, are not obligations of CFCU Community Credit Union, are not guaranteed by the Credit Union or any affiliated entity, and involve investment risk, including the possibility of loss of principal. CFCU Community Credit Union is not a registered broker/dealer nor is it affiliated with LPL Financial. Trust services are offered through The Private Trust Co., N.A., an affiliate of LPL Financial.

Tap into your home's equity

A home equity loan or line of credit can be a great way to pay for home improvements, emergencies and other financial needs including that new car, financing educational expenses, or even paying start-up costs on a new small business.

Your home's equity is calculated based on the difference between the amount your home could be sold for and what you still owe. You can borrow against that equity in two ways: Receive a lump sum that you pay back in monthly installments (Home Equity Loan) or receive a revolving balance that works somewhat like a credit card (Home Equity Line of Credit). Home equity loans tend to be popular because interest paid on the loan is usually tax deductible. (Ask your tax professional for details.)

When it comes to a home equity loan or line of credit, CFCU typically features some of the lowest interest rates available anywhere. For current rates, visit

www.myfcu.com, or call 607-257-8500.



1030 Craft Rd.
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www.myfcu.com