

# Notes Bearing Interest

SPRING 2017

THE QUARTERLY NEWSLETTER FOR PALISADES CREDIT UNION MEMBERS

## Applying for a Loan is as Easy as...

**1.** Apply online at [palisadesfcu.org](http://palisadesfcu.org)



**2.** Apply by phone: 1-800-438-7415



**3.** Stop by any of our convenient branches



## Is This the Year to Buy a Home of Your Own?

If you'd love to quit renting and buy a house, what's stopping you? Many times, the answer is this mysterious thing called a mortgage. How do they work? How much will it cost? Can you even qualify?

Most people have never borrowed as much as they will with a mortgage. So it's important to work with a lender who has your best interests at heart. Someone who will answer your questions, explain the most suitable choices, and walk you through the loan process, such as one of the mortgage officers here at Palisades CU.

### How do mortgages work?

As your mortgage officer will explain, there are basically two kinds of home loans:

- With a fixed-rate mortgage, your monthly payment stays the same for the life of the loan (usually 15 or 30 years).
- With an adjustable-rate mortgage (ARM), your monthly payment is fixed for a period of time, then adjusted yearly.

Speaking of rates, a loan's interest rate determines how much you pay to borrow. When shopping for a mortgage, compare Annual Percentage Rates (APRs), which summarize the total borrowing cost. As a member-owned credit union, we offer APRs that are among the lowest around.

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| FINANCE OR REFINANCE HOME LOANS |

## Save on your Mortgage Payment with Palisades CU

We'll help you find the right payment!

Apply Online: [www.palisadesfcu.org](http://www.palisadesfcu.org)



# Funtastic Fundraiser



Palisades Credit Union is proud to partner with the Rockland Boulders in their new and exciting fundraiser program that is guaranteed to help area groups and 501(c)3 organizations raise an unprecedented amount of money while enjoying all the fun of a Boulders home game.

The “Funtastic Fundraiser Program” can be enjoyed as part of any Friday or Saturday home game during the Boulders 2017 regular season. On Friday nights, qualifying groups can sell \$15 tickets that include a special Rockland Boulders hat and an infield box seat. For each ticket sold, the Boulders will donate \$4 to the participating group. The same deal will apply on Saturday nights—\$15 for an infield box seat and a Boulders hat but the team will instead donate \$6 to the organization for each ticket sold.

During this exciting new program, should any 501(c)3 organization sell at least 100 tickets to its individual game, Palisades Credit Union will match the donations by the Boulders – which will allow groups to receive up to \$12 back for every \$15 ticket sold.

If your group is interested in booking a fundraiser game this year, call (845) 364-0009 to speak with an experienced Rockland Boulders sales representative. The Rockland Boulders will begin their seventh season of play in the Can-Am League on Thursday, May 18 at 7:00 p.m. when they host the Miners.

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## How much will it cost?

To finance a home purchase, you need to be ready for the one-time expenses of a down payment and closing costs.

A down payment is a portion of the home’s purchase price that you pay upfront. The minimum is typically 10-20% down, but some loans are available with a lower or even no down payment. On the other hand, the more you can put down, the less you’ll need to borrow, and the lower your monthly payments will be.

Closing costs are fees you pay in connection with getting the mortgage. They include charges to originate the loan and to pay for title insurance, a survey, and attorney services, among others.

## Will I qualify for a loan?

Owning a home means dealing with the new expenses of a mortgage payment, insurance, repairs, maintenance, and property tax. So before approving your loan, a lender wants you to measure up in these areas:

- Credit history: Do you have a good record of paying off other financial obligations?
- Sufficient income: Do you have enough income to cover the new mortgage payment as well as your other debts?
- Income stability: Do you receive this income regularly?
- House payment: Will the new mortgage payment be much larger than your current housing expense?

When lenders review the first two questions, a couple of numbers make a big difference: your credit score and your DTI (debt-to-income ratio).

Credit scores are a way to indicate levels of credit risk. Your own score will depend heavily on data accumulated in your credit report:

- Your record of on-time, late, or missed payments.
- How much of your available credit you’ve used.
- The length of your credit history.
- The types of credit you’ve used (e.g., installment loans, revolving lines of credit).
- How actively you’ve been seeking to borrow, as indicated by the number of recent credit applications or credit inquiries in your file.

Your DTI determines the maximum amount you may be eligible to borrow. As a rule, your monthly mortgage payment, plus payments on credit cards, student loans, auto loans, and other recurring kinds of debt, shouldn’t exceed 36% of your monthly pre-tax income. (If your debt load is heftier, all is not lost. Some loan programs do allow higher DTI ratios.)



## See us to take the next step to homeownership.

Ready to apply for a mortgage? Or are you wondering if you need to do more to get ready? Either way, our mortgage officers can help. Call us and set up a time for a conversation soon. We’d like nothing better than to make 2017 the year you buy the home you’re dreaming of.

# Navigating Student Loan Payment Potholes

As college education becomes pricier, more young people are graduating with thousands of dollars in student debt. To make matters worse, the road to repayment has developed potholes that can make it harder to zero out those loans.

## 1. Know what you owe.

Have you lost track of your loans and their current balances? You can look up most federal loans through the National Student Loan Data System (open an account at [nslds.ed.gov](http://nslds.ed.gov)). For private loans, download a free credit report from [annualcreditreport.com](http://annualcreditreport.com). Your student loans and their current status will usually appear on the report.

## 2. Know how to reach your loan servicer.

The original lender typically assigns customer service and payment processing to a third-party servicer. If you have payment issues, it's the servicer you'll want to contact. Always communicate in writing (not by phone) so you have a paper trail. And to be safe, don't enclose questions or instructions with your check, since the envelope's contents may be automatically sorted into a pile to be deposited. See if the servicer has a separate mailing or email address for correspondence.

## 3. Struggling to pay a federal loan? Look into restructuring it.

If you aren't earning enough to handle standard payments on a federal student loan, you may be eligible to convert to one of these choices:

**Graduated Plan:** An initially lower monthly payment that increases over time as your work earnings grow.

**Extended Plan:** The monthly payment shrinks, but the standard 10-year repayment period increases to as long as 25 years.

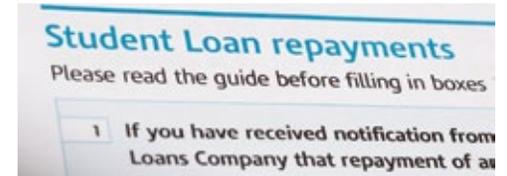
**Income-Sensitive Plan:** Monthly payments increase or decrease based on your annual income.

**Income-Driven Repayment Plan:** You pay less per month, based on your income, but the loan lasts for 20 to 25 years. When the plan ends, any unpaid balance is forgiven.

For information on any of these options, visit [studentaid.ed.gov](http://studentaid.ed.gov).

## 4. Understand the pros and cons of loan forbearance.

In case of severe financial hardship, your servicer may offer temporary "forbearance." This means you won't have to make payments for a while, but interest will keep mounting. The result can be shocking. At a 6% interest rate,



forbearance on \$20,000 of debt means that in 60 months, you could end up owing \$26,000 or more. So make this a last resort.

## 5. Check your credit report regularly.

By law, you're entitled to a free credit report once a year from Experian, TransUnion, and Equifax. If you order one from a different agency every four months through [annualcreditreport.com](http://annualcreditreport.com), you can keep an eye on the reported status of your student loans. If anything looks incorrect, you'll be able to contact your servicer before too much time has gone by.

Before applying for a student loan, be sure to max out "free money" opportunities, such as grants and scholarships. If you do need to borrow, the repayment flexibility of government loans may make them your first choice. But check out the low interest rates on private student loans at Palisades CU, too. If you come to us for help with the cost of college, you'll know you're working with people you can trust – people committed to making your road to repayment as smooth and pothole-free as possible.



## | STUDENT LOAN CONSOLIDATION |

- Competitive interest rates
- Cosigner release
- .25% Interest rate reduction when you sign up for automatic payments
- No origination fee for all students

Apply Online: [www.palisadesfcu.org](http://www.palisadesfcu.org)



**Locations**

**Nanuet Branch**

240 East Route 59  
Nanuet, NY 10954

**New City Branch**

244 South Main Street  
New City, NY 10956

**Orangeburg Branch**

16 Orangetown Center  
Orangeburg, NY 10962

**Pearl River – Headquarters**

300 North Middletown Road, Suite 6  
Pearl River, NY 10965



**Hours of Operation**

Mon. 9:00 a.m. – 5:00 p.m.  
Tues. 9:00 a.m. – 5:00 p.m.  
Wed. 10:00 a.m. – 5:00 p.m.  
Thur. 9:00 a.m. – 5:00 p.m.  
Fri. 9:00 a.m. – 5:00 p.m.  
Sat. 9:00 a.m. – 1:00 p.m.



**Phone Numbers**

**Member Contact Center:**

845.602.4242

**Toll Free:** 800.438.7415

**TAP:** 845.602.3TAP or  
800.333.TAP3

**Fax Number:** 845.602.4444



**Web Address**

www.palisadesfcu.org



**Mobile Banking**

Download our mobile application  
at [www.palisadesfcu.org/mobileapp](http://www.palisadesfcu.org/mobileapp).



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# Lucky Savers Winner



# YouthFest 2017



# Holiday Closings

All branches will be closed for business on:

**Memorial Day**

Monday, May 29

**Independence Day**

Tuesday, July 4

Visit our website for a complete list of  
Holiday closings.

# New Employees

Welcome to the following new employees:

**Elizabeth Demorin – Teller**

Elizabeth entered the financial industry in 1994 with the Bank of New York (now JP Morgan Chase). After working in the banking industry for seven years, she transitioned to a Secretary position at the County of Rockland in Pomona. Elizabeth is very excited to get back into the banking world, and looks forward to learning and growing as part of the Palisades team.

**D’Andra Towles –**

**Financial Sales Representative**

D’Andra began her career in finance and banking 10 years ago while working as a Teller for JP Morgan Chase. She then moved on to becoming a Branch Lead at David’s Financial, a Senior Teller for TD Bank, and most recently, a Senior Teller at Apple Bank for Savings. D’Andra is currently enrolled at Southern New Hampshire University pursuing an A.S. in Accounting. She joins us as our new Financial Service Representative, and hopes to bring her years of financial industry knowledge and customer service savviness to the Palisades CU family.

**Danielle Vitale – Loan Administrator**

Danielle entered the financial industry a year ago with IBIS Capital, a cash advance company, as an Administrative Assistant. Prior to that, Danielle was working in sales and retail as a Jewelry Consultant at Kay Jewelers. She is very excited to be working in the banking industry, and looks forward to being a part of the Palisades team and learning along the way.



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to shop | trustAGE

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**Palisades Credit Union’s 2017 Annual Meeting**  
is scheduled for **May 24, 2017**  
at Palisades Credit Union Park,  
1 Provident Bank Park Drive • Pomona, NY  
**Meeting will begin at 4 PM.**