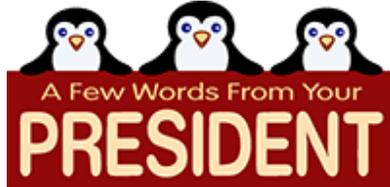


Metropolitan Services Credit Union



Winter Newsletter

January 2022



Thank You Members!

If the pandemic taught us anything, it was the importance of resilience. We'd like to thank you for your continued trust in the credit union and for your willingness to adapt to different ways of going about your financial business. As a financial cooperative, your credit union would not exist without the participation of you, our valued member-owner. The credit union is where you belong, and we appreciate your continued support. Please continue to call on us for all of your financial needs, whether that's a loan for your next vehicle or home improvement project or opening a share savings account for your kids to help them get into a savings habit. We strive to put the credit union philosophy of "people-helping-people" into practice because we know that we're better together. For that, we are grateful.

Crystal Rylicki

Thank You **VOLUNTEERS**

Board of Directors:

Wayne Andersen—Chairman
 Dave Quast
 Carole Crandall
 Art Doherty
 Roger Tatge

Supervisory Committee

Mike Plimi—Chairman
 John Scanlon
 Ken Rouse
 Curt Kallem

Consolidate Your Post-Holiday Debt With Our Personal Loan Special With No Payments for 60 Days!

Rates as low as 5.90%

For up to \$15,000 for 60 months. Offer expires on March 31st 2022.

***Seperate vs. Consolidated ***

| Personal loan | Credit Card | | Loan at MSCU |
|---------------|-------------|------------------------------|----------------|
| \$10,000 | \$5,000 | Amount | \$15,000 |
| 10% | 20% | Interest Rate | 5.90% |
| 5 years | 5 years | Length of Loan | 5 years |
| \$213 | \$133 | Monthly Payment | \$290 |
| \$346 | | Total Monthly Payment | \$290 |
| \$5,672 | | Total Interest | \$2,350 |

That's an overall savings of \$3,322!!!!

New money only! Rates and terms are subject to qualification. Other restrictions may apply.



What's the Catch with 0% Financing?

If you're interested in buying a car, you've probably seen a lot of low-interest special offers and incentives from various automakers. Many brands offer 0% interest, which suggests you can finance a car and pay no interest over the term on the loan. Does that offer seem too good to be true? It may be.

How's it possible?

Since you're not giving the bank any incentive to lend you money, you might be wondering just how it's possible to get a 0% interest rate. The answer is usually it isn't the bank doing the lending but rather the automaker itself.

The way an automaker can make money with a 0% deal is simple: It still earns the same amount it would earn on any car deal, but now the money is earned over a longer span. So, the money isn't made on financing but rather the car itself.

This means that 0% deal usually aren't a scam.

Bait and switch?

While 0% financing isn't usually a scam, it can often be difficult to qualify for, and that where many shoppers run into disappointment. Dealers will often advertise 0% interest, for example, even when it's only available on select models or to shoppers with the absolute highest credit scores and a long credit history.

Dealers love to offer 0% financing as a way to get customer in the door, but the reality is 0% financing is quite hard to get.

While many customers may come in for a great financing deal, as few as 10% will actually qualify. Additionally, these loans typically have shorter terms, which means higher monthly payments and hidden fees.

Compare Your Options

Taking the 0% financing will typically require you to forfeit the rebate money and/or your ability to negotiate a better price.

The rebates and/or discounted pricing could save you hundreds, even thousands of dollars over the term of the loan.

| | Metropolitan Services CU | Auto Dealership |
|-------------------------|--------------------------|-----------------|
| Price | \$20,000 | \$20,000 |
| Dealer rebate | \$3,000 | 0 |
| Finance Amount | \$17,000 | \$20,000 |
| Payment 5 years @ 3.49% | \$310 | \$334 |
| Finance Charge | \$1,548 | 0 |
| Sales Tax (6.5%) | \$1,105 | \$1,300 |
| Total Cost | \$19,653 | \$21,300 |
| Total Savings | \$1,647.00 | |

This is an example of the possible savings when choosing whether or not you should take the rebate or the 0% financing. As you can see in the example, the 0% financing is not always going to be your best option. If you would like some help deciding what route to go, please call or stop in and we'll gladly go over the options with you and try to help you decide.

