



# MEMBER NOTES

News for Members of Michigan Educational Credit Union

JULY 2021



## MISSION STATEMENT

*"To provide members with  
quality, comprehensive, cost  
effective financial services"*

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## Soak Up A Little Fun This Summer!

MECU's Summer Celebration Loan is back with rates as low as 6.95% APR\* to make your summer fun more affordable. Borrow up to \$10,000 to take a vacation, landscape the yard, work on home improvements, finance graduation or wedding expenses, consolidate your bills and more. Repayment terms up to 60 months are available.

Like summer itself, this loan special is only here for a limited time. Contact the Loan Department at any MECU office, or go to [www.michedcu.org](http://www.michedcu.org) to make your loan request today!

\* Annual Percentage Rate effective June 1 through August 31, 2021. Rate based on approved credit and credit union relationship. Summer Celebration Loan not available for refinancing existing MECU loans. Qualification for unsecured credit required.



## Dream Big With A Home Equity Loan

Big dreams often come with a big price tag. If you're looking for an affordable means of achieving your goals, the answer may be right under your own roof. It's true. You can tap into the equity you have in your home for a low-rate loan to finance any major expense, including:

- College tuition and other educational expenses
- Home renovations and landscaping projects
- A dream vacation
- A wedding, graduation, family reunion or other celebration
- Bill consolidation, and much more!



At MECU, our rates start as low as **4.50% APR\*** and you can choose from a variable-rate Home Equity Line of Credit, with monthly payments as low as \$9.00 per thousand borrowed, or a closed-end, fixed-rate Home Equity Loan. Either way, you can borrow \$10,000 or more with **NO CLOSING COSTS** and possible tax savings (be sure to consult your tax advisor).

Already have a home equity loan from another lender? Ask us how you can refinance it with MECU. For more information and to apply, contact the Loan Department at any MECU office or go to [www.michedcu.org](http://www.michedcu.org).

\* Annual Percentage Rate effective July 1, 2021, and is subject to change. 4.50% APR applies to a variable-rate Home Equity Line of Credit of \$50,000. Minimum loan \$10,000, maximum \$150,000. Maximum LTV of 90%. Other rates and terms available. Rates not available on existing MECU loans. Offer available on Michigan real estate only.



## LET'S PLAN FOR YOUR FUTURE

Our wealth advisors can help you select an investment plan to address your individual goals and objectives.

- Retirement Planning
- Financial Planning
- Rollover Services
- IRAs
- 401(k) & 403(b)

*For a no-obligation, complimentary consultation and a free review of investment programs, contact MECU Financial*

**Serving All MECU Locations**  
**(734) 416-5025**  
**mecuadvisors.com**



**Bill Knudsen**  
Wealth  
Advisor



**Kyle Hecht**  
Wealth  
Advisor

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Not Insured by NCUA or Any Other Government Agency
Not Credit Union Guaranteed
Not Credit Union Deposits or Obligations
May Lose Value

## CEO Update

Summer is back in a big way in 2021. With the easing of COVID restrictions, people are making up for lost time by taking vacations, dining out, reuniting with friends and family, attending local events, and doing everything else they've missed in their lives since the pandemic began.

As you venture out this summer, we've got your back. MECU offers all of the convenient services that you need to take care of your banking without taking valuable time away from life's joyful moments.

Our Home Banking and Mobile Banking services allow you to manage your accounts whenever it's convenient or necessary. And thanks to our

partnership with the CO-OP network, our members have access to literally thousands of surcharge-free ATMs across the country.

If you need extra funds to finance your summer plans, you know you can count on MECU for low rates on a variety of loans, including our popular Summer Celebration Loan.

Michigan summers always seem to fly by, so soak up every sunny moment while it lasts. Best wishes for a safe and memorable summer!



**Bob Sandercock**

## Buying A Home In A Seller's Market

You've made the decision to buy a new home. Or maybe this is your first time. You're probably excited and can't wait to go house hunting. If the market is a "Buyer's Market," one in which supply exceeds demand, you'll have plenty of time to get your financing in order and look at as many homes as you like.

But what if demand is high and supply is low – like it has been in recent years? Then you're in a "Seller's Market." During a seller's market, homes sell almost as soon as they become available, often causing buyers to have bidding wars with each other. They attempt to outbid the other buyers, offering the seller more than the seller asked for.

When you find a home you love, you'll need to act fast. Sellers don't want to wait for buyers who are still working on their financing. Before you start looking at homes, take care of two things first:

1. **Get pre-approved for a mortgage.** Show the seller you have your mortgage approved and you're immediately ready to close on the offer. Offers without a mortgage contingency will jump to the head of the line.
2. **Get your down payment ready.** Have paperwork showing you have proof of funds.

By getting pre-approved for your mortgage, you'll know exactly how much house you can afford as well as get a head start on other buyers. Also, since you will know the maximum that you can afford, you will be able to save time by searching only for those houses in your price range. Don't even try offering less than the listed price during a seller's market – that will only get you kicked out of the running.

You might also consider writing an offer letter to the seller, explaining a little about yourself and why you love their house. Keep it short and simple; strive to make a personal connection to the seller. Your realtor can send this letter to the seller and their realtor with the formal offer.



MECU can help you begin this journey. Talk to one of our on-site Member Mortgage Services representatives. They will calculate how much you can afford, find the best interest rate you qualify for, and help you to compete in a Seller's Market. To schedule an appointment, call our Plymouth office at (734) 416-5076, our Livonia office at (734) 261-6550 or our Ann Arbor office at (734) 761-7505. Appointments may also be arranged at our other office locations.



# Post Pandemic Financial Advice

The COVID pandemic is and continues to be a defining period of our lives. Among its many effects, it caused all of us to take a hard look at how we live our lives, including the way we spend our money.

Quarantine kept many of us at home, preventing us from spending as much as we usually did for things like entertainment and travel. Many people lost their jobs or were furloughed, forcing them to reduce their expenses. One clear effect was that those with emergency funds fared better than those who did not have them.

We all took at least a few moments to evaluate and reassess the things we believed were important to us. For example, many people realized that the things they used to consider “needs,” like expensive shoes, eating out every day, or having the latest cellphone, suddenly weren’t as important to them. Those things were simply “wants,” or “nice to haves.” We learned we could get by with a less expensive way of life.

If you did manage to save some money, what did you do with the extra cash? Hopefully, you used it to create some financial security, like pay down debt, open a retirement fund, or boost your emergency fund.

There’s a chance that when the pandemic is history, some people may revert to their old spending habits, indulging in all their “wants” again. That would truly be a waste of the lessons we’ve learned. Instead, try to continue spending as mindfully as you have during the pandemic.

- 1. Make a commitment to save each month.** Pay your emergency and retirement funds first. If you haven’t created accounts for either one, then start them now. To make saving easier, use automatic transfers to deposit funds into those accounts after your paycheck is deposited. Try to save 20% of your monthly income.
- 2. Pay off credit cards.** Then make sure you only spend as much as you can comfortably afford – that *doesn’t* mean your credit limit. Ideally, you want to pay the total in full at the end of each month, so you don’t accrue interest charges.
- 3. Get clear on what your “needs” and your “wants” are.** A lot of people have trouble with this, but it isn’t difficult to figure out. “Needs” are things you need to survive – groceries, housing, utilities, health insurance, transportation. These necessities should amount to about 50% of your expenses. Everything else is a “want” – dining out, entertainment, vacations, etc. That should take no more than 30% of your expenses.

Michigan Educational Credit Union is right here with you, ready to help you get your post-pandemic finances in order. If you would like to open a savings or investment account, or need help budgeting, check out our website at [www.micheducu.org](http://www.micheducu.org) or contact any MECU branch location.

## MECU Awarded 5-Star Rating For Strength

In June 2021, MECU was once again awarded the highest 5-Star rating for financial strength and stability from the Nation’s Premier Credit Union and Bank Rating Firm, BauerFinancial. In order to earn a 5-Star rating, all institutions undergo a rigorous, independent analysis of their financial condition. This is the 118th consecutive quarter that MECU has earned this top rating earning it an even higher designation as a **“Best of Bauer Credit Union.”** This distinction is reserved solely for institutions that have earned Bauer’s 5-Star rating consistently for 25 consecutive years or longer.



## Withholding Notice For IRA Owners

Payments from your IRA are subject to federal income tax withholding, unless you elect no withholding.

You may change your withholding election at any time prior to your receipt of a payment. To change your withholding election, complete the appropriate form, which MECU can provide to you.

Withholding from IRA payments, when combined with other withholding, MAY relieve you from payment of estimated income taxes. However, your withholding election does not affect the amount of income tax you pay.

You may incur penalties under the estimated tax rules if your withholding and estimated tax payments are insufficient.

## Deposit Account Rates

*All percentages expressed as Annual Percentage Yields (APYs)*

**SHARE SAVINGS ACCOUNT**  
**.05% APY**

**DRAFT/CHECKING ACCOUNT**  
**.02% APY**

*Share Savings and Draft/Checking Accounts earn interest with a \$5 minimum average daily balance.*

**INDIVIDUAL RETIREMENT ACCOUNT**  
**.10% APY**

*MECU reviews and may adjust deposit account rates monthly. Annual percentage yields shown above are for July 2021. Call the Credit Union for current rates on our Share Certificates.*



# Cruise Into MECU For A Great Rate!

The Woodward Dream Cruise returns this August, and you can feel the excitement building around the Motor City!

If cruising season has you eager for a new set of wheels, MECU is here to help with the financing. We can get you the low monthly payment you need to fit your budget. We can even pre-approve you for your loan before you head to the dealership to help you negotiate a better deal.

With a limited supply of new vehicles on some dealer lots, used vehicles and lease buyouts are becoming a popular option for many members. Fortunately, MECU offers the same great low rates for used vehicles as we do for new models. Check out our current low rates in the chart below.

To make your loan request today, contact the Loan Department at any MECU office or apply at your convenience at [www.michedcu.org](http://www.michedcu.org).



# Be Aware Of Scams

Here at MECU, the safety and security of our members' accounts is very important to us. As incidents of scams continue to impact consumers across the country, we wanted to share with you how MECU interacts with you by phone and provide some tips to protect your accounts.

It's important to be vigilant when you receive unsolicited phone calls. An MECU staff member will never call you and request any of the following personal account information:

- Your account numbers
- Personal Identification Numbers (PINs)
- Home Banking or Mobile Banking username or password
- One-Time Passcodes
- Your debit or credit card numbers
- A code to approve or decline a transaction using your mobile device

If you receive an unsolicited call that appears to be from MECU (including even having MECU show up in the caller ID) and are asked to share any of the information listed above, please hang up and contact us directly. For more security tips, go to [www.michedcu.org/fraud-and-security](http://www.michedcu.org/fraud-and-security).

## Holiday Closings

Independence Day  
Monday, July 5, 2021

Labor Day  
Monday, September 6, 2021



**Website:** [www.michedcu.org](http://www.michedcu.org)  
**E-Mail:** [general@michedcu.org](mailto:general@michedcu.org)

**Toll-Free Phone:**  
(888) 261-3355  
(Outside Metro Detroit area)

**Office Hours:**  
9:30-5:30 Monday-Friday

**Phone Service:**  
9:15-5:30 Monday-Friday

**Plymouth Office:**  
9200 Haggerty Road  
Plymouth, MI 48170  
Phone: (734) 455-9200

**Livonia Office:**  
14921 Middlebelt Road  
Livonia, MI 48154  
Phone: (734) 261-1050

**Ann Arbor Office:**  
4141 Jackson Boulevard  
Ann Arbor, MI 48103  
Phone: (734) 761-7505

**Brighton Office:**  
123 Brighton Lake Road,  
Suite 102 (in Pinehollow Place)  
Brighton, MI 48116  
Phone: (810) 494-6000

**Royal Oak Office:**  
1903 Rochester Road  
Royal Oak, MI 48073  
Phone: (248) 399-7473

**Macomb Office:**  
47230 Hayes Road  
Macomb, MI 48044  
Phone: (586) 566-5599

**CO-OP Shared Branch & Surcharged-Free ATM Locations**  
Toll-free locator: (888) SITE-CO-OP  
[www.allco-op.org](http://www.allco-op.org)

**Mortgages:**  
Plymouth: (734) 416-5076  
Livonia: (734) 261-6550  
Ann Arbor: (734) 761-7505

**Financial Services:**  
Plymouth: (734) 416-5025  
Livonia: (734) 261-1050  
Ann Arbor: (734) 761-7505  
Brighton: (810) 494-6000  
Royal Oak: (248) 399-7473  
Macomb: (586) 566-5599



Follow us!



## Auto Loan Rates As Low As...

2021-1996 AUTOMOBILES (100% FINANCED)

**2.49% APR\***  
Up to 48 Months\*\*

**2.74% APR\***  
60 Months\*\*

**2.99% APR\***  
72 Months\*\*  
(Min. \$10,000 loan for 72 month term)

**3.24% APR\***  
84 Months\*\*  
(Min. \$25,000 loan for 84 month term)

COLLEGE/TRADE SCHOOL GRAD OR ACTIVE MILITARY DISCOUNT

2020 and 2021 graduates and active military service members can save .25% off MECU's current auto loan rates. Ask for details.

CLASSIC CARS (25 YEARS AND OLDER)

As low as 7.50% APR\* for 30 Months\*\* • As low as 7.50% APR\* for 48 Months\*\* (minimum \$10,000)

\* Annual Percentage Rates effective as of July 1, 2021, and are subject to change. Rates include a .25% discount for direct deposit and may vary based on credit history. Rates not available on existing MECU loans.

\*\* Repayment Term

Contact the Loan Department or go to [www.michedcu.org](http://www.michedcu.org) for details!