

## Car Buyers' Worst Mistakes

How much money do you think educated car buyers can save over uneducated buyers when buying the same car? Would \$5,000 get your attention?

**While you may not save as much as \$5,000, you'll save a bunch if you avoid these classic car-buying errors.**

- **Showing enthusiasm.** If you act excited, the sellers know they have a unique product you want. The price goes up instantly. Keep that enthusiasm in check until you've driven home.
- **Buying in a hurry.** If you buy on your first visit to a dealership, you don't have time to compare. Take your time. Be willing to walk away. The price at most dealerships falls quickly if you move slowly.
- **Giving deposits before the dealer approves your offer on a vehicle.** Feel free to give a deposit, if you really want a vehicle. But don't give it until the boss has said "yes." Some dealerships use deposits to keep you there while they try to convince you to pay more. And you can't leave if they have your deposit-money, a credit card, a driver's license, or your kids.
- **Being switched to leasing without doing your homework.** Because dealerships make a much larger profit if they lease rather than sell, even the best dealership may try to "switch" you. They'll try to convince you leasing is cheaper than buying. In most instances, it isn't. If you want to lease, fine. Just don't do it on the spur of the moment.
- **Trading in your old car without knowing its value in advance.** A dealership has the right to give you the least you will take for your old car. But you have a right to get the most your car is worth. To know that value, simply clean it up, and try to sell it to several used car dealerships. The highest amount you're offered for it is your car's real value right now. Don't accept less than that in trade.
- **Financing automatically at the dealership.** The dealership may not be the cheapest place to finance. To find out, simply bring a copy of the filled-out dealer contract to Canals & Trails Credit Union and compare contracts. If the dealership won't give you a copy, they're probably not the cheapest.

Big mistakes, big bucks out the window. We like to help you preserve your money—that's what credit unions are all about. Avoid these mistakes, and put that money to work rather than throwing it away.

### Audition Your Car Payment

*Car shop at your credit union first!*

Your first stop when car shopping is not the dealership – it's the credit union.

First, talk to a credit union loan officer about how much you can afford and what loan you qualify for, and you can walk into any dealership as a powerful cash buyer.

Not ready to buy? Save more money by trying out your car payment for a few months. You'll learn if you can live with the loan payment, and you'll save money toward the down payment, reducing how much you have to borrow.



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### Hours of Operation

Monday - Thursday	9:00 am to 5:00 pm
Friday	9:00 am to 6:00 pm
Saturday	9:00 am to 1:00 pm

### Holiday Closings

Independence Day	July 4
Labor Day	September 2
Veterans Day	November 11

### CANALS & TRAILS CREDIT UNION

838 South State Street • Lockport, IL 60441

Phone: (815) 838-7159 • Fax: (815) 838-5581

[www.canals-trailscu.org](http://www.canals-trailscu.org)



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## MEMBER SERVICE SPOTLIGHT

### MEMBER SERVICE UPDATE!

Please help the credit union update your vital account information. In order for the credit union to have the most up-to-date member information please call the credit union to verify the information we have on file is correct! Information we are looking for is: member address, phone numbers, beneficiaries, trusts and joint owners. Call the credit union today at (815) 838-7159 to update your account!

All Rates  
Effective 7-1-19

### Dividend Rates

Account Type	APY
Regular Shares	0.05%
Club/Business	0.05%
Share Draft	0.00%
IRA	0.35%
Money Market	0.05% - 0.15%

### Certificates of Deposit - \$500 Min.

6-Month Certificate	0.05% APY
12-Month Certificate	0.10% APY
18-Month Certificate	0.25% APY
36-Month Certificate	0.35% APY
48-Month Certificate	0.40% APY
60-Month Certificate	0.50% APY

Dividends are based on credit union earnings at the end of the dividend period and cannot be declared in advance.

### Loans

#### New Car & Truck - 2018 & Newer

Up to 60 Mos.	2.75% - 11.50% APR
Up to 72 Mos.	3.50% - 12.00% APR

#### Used Car & Truck - 5 Years Old or Less

Up to 60 Mos.	3.00% - 12.25% APR
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#### New Boat/RV - 40K or more = 10 Years

Up to 120 Mos.	4.75% - 13.05% APR
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#### Used Boat/RV - 40K or more = 10 Years

Up to 120 Mos.	5.75% - 15.00% APR
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#### Motorcycle Loans

	4.75% - 15.00% APR
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#### Home Equity

Fixed rate and HELOC Lines of Credit 70-80%  
LTV. Call for Current Rates.

#### Visa Credit Card

	8.90% - 13.90% APR
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#### Collateral Loans

Up to 60 Mos.	5.75% - 11.75% APR
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#### Fixed Signature

	8.90% - 13.80% APR
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#### O/E Signature

	10.50% - 14.50% APR
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#### Share Secured

	3.05% APR
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#### Certificate Rate Plus

	3.00% APR
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Rates and terms subject to change.

### Fee Schedule - Effective 7-1-15

Late Loan/VISA Payment Fee	\$25.00
Home Equity Fee	\$500.00
Late Home Equity Fee	\$25.00
Annual Home Equity Fee	\$50.00
Modification Fee	\$50.00
NSF Item Deposited	\$30.00
Stop Payment Fee	\$10.00
Wire Transfer Fee	domestic \$15.00
	Cut off 4:00 p.m. for same day.
	International is \$45.00
	Cut off for same day is 11:30 a.m.
Dormant Account Fee	\$5.00
Loan Application Fee	\$25.00
Payday Alternative Loan	\$50.00
Mortgage Subordination	\$100.00
Skip A Payment Fee	\$40.00
Garnishment/Levy	\$25.00
Acct. Closed (within 6 months of opening)	\$25.00
Acct. Reactivation	\$25.00
Bill Pay Inactivity Fee (after 3 months)	\$6.00

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# AUTOS: LEASE OR BUY?



Use this table to compare buying vs. leasing an automobile. Ask your credit union loan officer to help you weigh your options.

	LEASING	BUYING
<b>OWNERSHIP</b>	You don't own the vehicle. You must return it at the end of the lease unless you choose to buy it.	You own the vehicle—it's your asset. You keep it at the end of the financing term.
<b>UPFRONT COSTS</b>	These may include the first month's payment, a refundable security deposit, a capitalized cost reduction (similar to a down payment), taxes, registration, and other fees.	These may include the cash price or a down payment, taxes, registration, and other fees.
<b>MONTHLY PAYMENTS</b>	These usually are lower than monthly loan payment—you're paying only for depreciation during the lease term, plus rent charges (similar to interest), taxes, and other fees.	These are usually higher than monthly lease payments—you're paying for the entire purchase prices, plus interest and other finance charges, taxes, and fees.
<b>GAP COVERAGE</b>	This is often included in lease agreements. If not, you can purchase it.	This is usually not included in finance agreements, but you can purchase it.
<b>MOVING OUT OF STATE</b>	Some agreements restrict you from relocating the vehicle to another state or country.	There are no restrictions when relocating.
<b>CHANGING VEHICLES</b>	Leasing has advantages if you change vehicles frequently.	Buying has advantages if do not change vehicles frequently.
<b>EARLY TERMINATION</b>	You may be responsible for early termination charges.	You're responsible for any payoff amount—that is, the loan balance—if you end the loan early.
<b>VEHICLE RETURN</b>	You may return the vehicle at lease-end, pay any end-of-lease cost or purchase the vehicle if your lease includes that option.	You might sell or trade the vehicle if you want a different one.
<b>FUTURE VALUE</b>	The lessor—the party leasing you the vehicle—has the risk of the future market value of the vehicle.	You have the risk of the vehicle's market value when you trade or sell it.
<b>MILEAGE</b>	Most leases limit the number of miles you may drive; you will pay charges for exceeding those limits.	You may drive as many miles as you want; higher mileage will lower the vehicle's trade-in or resale value.
<b>TERM LENGTH</b>	A typical lease is 2-4 years.	A typical auto loan term is 4-6 years.

Source: CFPB website — [www.consumerfinance.gov](http://www.consumerfinance.gov)

## We Do More Than Just Auto Loans.

No matter how you want to travel, we can help you with financing.



## How to Improve Your Credit Score



### 1. CHECK YOUR CREDIT REPORT

Order your free credit report from [annualcreditreport.com](http://annualcreditreport.com) each year and check for errors. If you find any, file a dispute with the credit reporting agency to have it fixed.



### 2. PAY YOUR CREDIT CARD BILLS ON TIME

Prove to the lenders that you can reliably pay your debts on time every month. Download a bill paying reminder on your phone to help you pay bills on time.



### 3. KEEP YOUR MONTHLY BILLS LOW

Ideally, you'll want to pay your monthly balances entirely, but if that's not possible, keep the total credit used under 30% of the available credit.



### 4. CLEAR UP ANY COLLECTION ACCOUNTS

Pay off debt as soon as possible. These accounts stay on your report for seven years, so the sooner you pay it off, the quicker it will come off your report.



### 5. DON'T OPEN A LOT OF NEW ACCOUNTS AT ONCE

Each time you open an account, the creditor makes a "hard inquiry" on your credit. Each inquiry lowers your credit score by a few points.