

Consumers Federal Credit Union

CREDIT UNION NEWS

Summer, 2005

COOP MORTGAGES

Need a coop loan? Consumers Federal Credit Union is here to assist you in making the process quick and easy. We lend up to 65% of the value of the apartment and most applications are approved within 48 hours of a completed application. Our closing costs are affordable and very competitive. It's easy to apply, fill out a mortgage application by fax, e-mail or in person and submit proof of income (tax returns).

Our most popular product is our 5 year balloon - up to 30 years to repay. It guarantees the first 5 years at 5.25% (with approved credit) . After the 5th year the rate offered is then the current rate, and every 5 years thereafter. Other terms are available as well.

Loan coupons are available if needed.

ESTIMATED CLOSING COSTS: \$1,155.00

Full coop search \$350.00, Recording UCC/Lien \$100.00, Appraisal \$350.00, Credit report \$5.00, Credit union attorney \$350.00.

Application approval is free

Compare our costs to any other lender and discover the facts and no hidden costs.



Special points of interest:

- *“Interest-only” mortgages that allow buyers to purchase a more expensive house or coop than they normally could afford, with the principal payments waived for about five years. But when the monthly payments on principal come due in five years, the monthly tab could double overnight, causing a flood of defaults.*
- *The national average life of a mortgage loan is 7.5 years, so the 5 year balloon is a perfect low risk loan.*

NEW CD RATES

CD (Term)	Minimum Deposit	APR	APY
1 Year (12 months)	\$500.00	3.25%	3.29%
2 Year (24 months)	\$500.00	3.50%	3.55%
3 Year (36 months)	\$500.00	4.00%	4.06%
5 Year (60 months)	\$500.00	5.00%	5.10%

Only a 90 day interest penalty to re-invest or close out a CD so have flexibility to invest in a five year and change it if rates increase.

