

In This Issue:

- **Stages of Life Seminar**
- **What Size Should Your Mortgage Down Payment Be?**
Is the 20 percent rule really that important?
- **Sumpter Branch**
- **Save to Win is back!**
- **Money Smart Week with Students**
- **Holiday Closings**
- **Garage Sale Do's and Don'ts**
Consider these tips when hosting your next tag sale
- **Green Ways to Stay Cool in the Summer**
Relief from the heat can come in many forms



Stages of Life Seminar

Thank you to all who attended our "Stages of Life" seminar. We are happy to report that we were able to help many PSCU members. "I was just saying to my husband I needed a step by step with this credit report- this has been so informative." says one member about the night. "I will be sure to be at the next one! Thanks, PSCU!"



What Size Should Your Mortgage Down Payment Be?

Is the 20 percent rule really that important?

As if buying your first home wasn't stressful enough with inspections and appraisals, you also have to worry about financing. Deciding how much to put down on your home can affect you for the rest of your life. Luckily, there are clear-cut advantages and disadvantages to putting certain amounts down.

Twenty percent is ideal

Culture deems 20 percent as the magic number for both buyers and lenders. Why? For the borrower, 20 percent down usually will qualify you for a slightly lower interest rate than someone who makes a smaller down payment. Another benefit is that you will borrow less money, making your monthly payments smaller. Additionally, you will have 20 percent equity in your home right off the bat, meaning that will be available to borrow against the loan in the future, or get it back as part of your profit when you sell.



On the other hand, 20 percent of the average home price in the nation (\$200,000) is \$40,000. Saving up that much cash, plus the additional cash you will need for closing costs, moving fees, etc., can take more than a handful of years. All the while, the housing market may see prices and interest rates increase, making it even harder on buyers.

One more advantage for buyers with a 20 percent down payment is that you may not have to pay private mortgage insurance (PMI), which provides insurance to the lender in case you default on your loan. Thus, this amount is viewed as ideal by the lender because its risk is greatly reduced due to you investing more of your own money in your home.

Pros and cons

There are loans available that require as little as three percent down. This could be great, as you will obviously not need to save up as much money and can become a homeowner much faster. However, significantly smaller down payments do have their disadvantages as well:

- You will have to pay PMI to your lender, which increases your monthly payments. Depending on the loan, the PMI will need to be paid until you reach 20 percent equity, or sometimes even

for the duration of the mortgage.

- Your home loan will be larger, making your monthly payments larger as well.
- Your interest rate will be slightly higher, too, compared to someone who makes a 20 percent down payment.
- In order to qualify for a mortgage, your maximum debt-to-income ratio must be 43 percent or less; therefore, a smaller down payment may make it harder to qualify for a loan at all.

Ultimately, the decision about the size of your down payment depends on a variety of factors, which can be weighed only by you, the buyer/borrower. Consult with a lender to evaluate your individualized loan options and make the best choice in the context of your individual financial plan.

Public Service Credit Union • 734-641-8400 • <http://www.pscunow.com>

PSCU is HOT this month!



Sumpter Branch

You talked and we've listened! Since our branch closed in March, many of our members have requested service for our Sumpter members. So PSCU will be in the same office location every other Friday from 9:30 AM-3:30 PM beginning April 17th. See you then!

Public Service Credit Union • 734-641-8400 • <http://www.pscunow.com>



Save to Win is back!

SAVE TO WIN

Our ever popular Save to Win Program is back and better than ever! When you Save to Win, you not only get a chance at winning, but you walk away with the deposits you made over the year plus interest. A definite win-win situation! When you open a 12-month Save to Win share certificate, you have your first entry into that month's drawing as well as additional drawings throughout the year. Keep making deposits into your share certificate during the 12 months of your certificate. Every \$25 deposit earns you another entry into the drawings, up to 10 entries a month! If you want to know more, simply click [here](#)!



Money Smart Week with Students

In celebration of Money Smart Week, on Wednesday, April 22nd Public Service Credit Union was honored to have State Representative Erika Geiss come and speak to students from Romulus Elementary School. Representative Geiss spoke to the kids about financial responsibility and education. The children were also given a tour of several departments of the credit union where each department engaged the children in fun activities and gave them insight on how the credit union operates.



After the completion of their “hands-on” experience in the credit union, we invited the students to a pizza lunch, where they enjoyed several other activities after lunch and given gift bags as they headed back to school.

Public Service Credit Union visits 4 elementary schools in Romulus weekly for the past 8 years teaching the students about financial responsibility and how the students can operate their own PSCU branch. This fun and educational event took place at the main branch of Public Service Credit Union in Romulus.



Holiday Closings



All PSCU branches will be closed on Monday, May 25th in observance of Memorial Day.

PSCU is HOT this month!



Holiday Closings

All PSCU branches will be closed on Monday, May 25th in observance of Memorial Day.

Public Service Credit Union • 734-641-8400 • <http://www.pscunow.com>



Garage Sale Do's and Don'ts

Consider these tips when hosting your next tag sale

It's garage sale season! How does it sound to get paid for items you don't want?

Garage sales are a great way to get rid of things you don't use any more — from your old children's toys to the multiple sets of dishes boxed in the garage collecting dust. Maybe you're moving and need to downsize. Or maybe you're just fed up with the clutter in your home. Whatever the reason, if you can make a few bucks while getting rid of unwanted possessions, it seems like a no-brainer.

But before you simply drag all your items onto your front lawn, know that there are a few strategies to holding a successful yard sale. Consider these do's and don'ts:

DO

Be realistic with prices - As a general rule of thumb, garage sale prices should be between 25 and 30 percent of the item's original price.

As a general rule of thumb, garage sale prices should be between 25 and 30 percent of the item's original price, and even less if your true motive is to get rid of things. However, it's also important to note that most people will bargain you down even more (all the fun of a tag sale!), even if you do start at a low price, so be sure to keep that in mind when pricing.



Present special offers - If you're trying to get rid of one specific genre of items that you have multiple of (think books, clothing, stuffed animals, etc.), proclaim that if someone buys, say, \$10 worth of items, they get a book of their choice for free. Or, price those kinds of items with some kind of deal attached to it (i.e.: Books are 25 cents each or five for a dollar, or if you buy one stuffed animal, get one free, etc.).

Advertise your sale - Spread the word by placing an ad in your local paper in the garage sale section. Typically, this section is also posted online. You can list when your garage sale is happening, your address, and the types of items you'll be selling. Also, try hanging signs around your neighborhood, especially at busy intersections. It doesn't have to be anything fancy: a piece of paper written with black ink, announcing the garage sale, with your address and a large arrow that people can see from their cars.

Label as many items as you can - Depending on how many items you have for sale, it may be difficult to mark every single item. But price tags let people know exactly what something costs without having to ask you — and if you're busy helping another customer and someone is waiting to ask you about price, they may decide they don't want the item and you'll lose the sale. Tip: Label items that

you want to get rid of most with “Make an offer.” This will intrigue your customers, even if they weren’t necessarily interested in the item in the first place.

Organize your items - Make sure your objects are arranged in an organized manner. Invest in a few fold-out tables and arrange items in ways you see fit. Have a lot of golf items? Make a golf table. A wealth of electronics? Keep them together. Also, think about what types of things people might be searching for. As an example, is Father’s Day fast approaching and are you selling gifts a Dad might like? Create a “Father’s Day” table with those items. The same items people might not have thought of as gifts are suddenly very desirable to those who forgot about Father’s Day.

DON’T

Keep money out in the open - Some garage sale hosts may think that a shoebox or even a cashbox is a good spot for their cash, but if you walk away from it, someone could easily access it. Instead, invest in a fanny pack to wear during the day and keep your earnings in it.

Follow your customers around - While you may be vastly interested in what kinds of items they’re browsing and picking up, chances are the customer is going to find you more off-putting than helpful. They might even think you’re suspecting them of stealing, and could get offended and leave. Instead, let them know that you’re there if they have any questions, but then keep to yourself.

Let haggling get to you - More often than not, garage sale goers are going to bargain you down — that’s just part of the fun! Don’t let it get to you. If it’s an item of sentimental value that you simply can’t bear to sell for even less than your original offer, simply explain that in a calm manner. The customer is sure to understand.

Do it alone - Some of the most successful yard sales are when multiple families join in at once. Before the sale, see if you can get neighbors or friends on board to sell some of their own knick knacks. Not only are you bound to sell more items, but there’s someone to talk to when lulls occur (which typically happen around lunch time or towards the end of the sale).

Choose just any day - It may sound obvious, but the best times to host a garage sale are weekends from May through September. Also, try to avoid holiday weekends, as most people are on vacation or doing something other than garage sale trolling. If you’re able to hold a two-day sale, that’s great, but if you can just do one, Saturdays usually attract more visitors.

A garage sale is a great way to declutter and make some quick cash at the same time so get out there and get it done.



Green Ways to Stay Cool in the Summer

Relief from the heat can come in many forms

Operating an air conditioner is an \$11 billion a year venture for Americans. What's more, those a/c units release about 100 million tons of carbon monoxide into the air annually — two tons for each home using one, according to WebMD. You can, however, reduce your own carbon footprint while staying cooler this summer, and save some money on electricity costs while you're at it.

Reducing body heat

"The lowest-tech ways to keep cool this summer start with your own body," said Camille Peri in a WebMD feature provided in collaboration with Healthy Child Healthy World.

Wear clothes made from natural fabrics such as cotton, hemp and linen, which breathe better than synthetic fibers and naturally wick away moisture. Dine on 'cool,' light meals like salads and sandwiches instead of protein-rich meals that warm up the body, not to mention the oven or the stove, working against your goal. Use cool water to decrease your body temperature by soaking your feet in a tub of cold water, wearing a wet bandana or taking a cool shower. A spray bottle of cold water to spritz yourself throughout the day is a good idea, as well.



Furthermore, remember that warm air rises; therefore, the basement or ground floor is the coolest story of your home or building. Plan to spend most of your time there, or embark on trips to air-conditioned public places like the mall or the library.

In-home techniques

Now is a good time to think about changing your home's efficiency. Use window coverings to your advantage by keeping your dark-colored curtains or shades pulled throughout the heat of the day, as that can block up to 80 percent of solar heat. Appliances inside the home such as the aforementioned stove add to the internal heat and energy consumption of your household, so utilize microwaves or toaster-ovens, which use up to two-thirds less energy.

Also, consider changing your light bulbs to energy-efficient compact fluorescent light bulbs or halogen infrareds. Lastly, use fans inside the home, especially when it starts to cool down in the evening. Portable fans placed in front of an open window can bring that cool air inside, and a ceiling fan will help circulate it. Even if you have an air conditioner, turn on your ceiling fans to help make the room feel cooler.

Outside the home

“Shading from the inside with curtains and blinds is a good first step, but shading from the outside can be even better,” Peri said.

One of the least expensive ways to do so is to install awnings. The Department of Energy estimates that awnings can reduce solar heat gain in the home by as much as 77 percent. Woven mesh solar, solar control windows, and reflective window film are some additional, yet more costly options.

Maintaining your air conditioner

If you do opt to use an a/c unit, keep the filter clean so airflow is not limited and the appliance lasts longer. Filters should be cleaned or replaced every month or so, depending on usage. Similarly, make sure the air conditioner gets a tune-up from a professional every few years to make sure it's still running efficiently. Install a programmable thermostat to turn on right before you come home, and set it a bit higher than normal for when you're home. A few degrees make a big difference, in terms of energy, but your body won't notice the difference. Finally, a shaded air conditioner uses up to 10 percent less energy to operate, so don't place your central a/c in direct sunlight.

Going into a cool room on a hot day is among the most enjoyable feelings you can experience. Follow these helpful suggestions and make this summer your best yet.

