

Let's talk Mortgage Loans this month.

Some of you may remember 1981 when mortgage loan rates hit an all-time high of over 16.5%. Forty years later in 2021, Mortgage rates hit an all-time low at near 2.7%. While various reasons are often stated, the Federal Reserve is most commonly at the center.

In 1981, the Federal Reserve increased rates to slow down a very dangerous double digit inflation rate. Then in 2021, they again tinkered in the market to stimulate a near dead economy as a result of COVID-19 pandemic. And of course, the sub-prime low-rate trickery fell in the around 2006 which then caused the mortgage market collapse. Rates were at the center of each scenario.

During my entry into banking in 1998, we offered a 15-year fixed rate at 7.25%, and my competitors said we were crazy for being that low – going to lose money. Well, here we are in the area around 7%, and many are trying to decide to sell, buy, or refinance.

So, what should you do? The reality is that if you hold out for super low rates, you may be waiting several years – missing out on the enjoyment of a new home, your improvements, etc.

Sellers are getting a premium for homes right now, but that may begin to decline if rates continue to rise. Buyers who have decided to buy despite the rates are willing to pay the current market rates. So, selling now might be wise. Buyers, if they can find a home among the limited inventory, will certainly face rates far from the lows in 2021. That being said, Gale CU is here to help.

Our Mortgage Members can receive a rate that is one half percent (1/2%) off the market rate on the day you lock your rate. A significant savings with a fixed rate loan! Do we dare say save even more with a Smart Choice ARM, an adjustable-rate mortgage? Yes, a 5yr/3yr ARM, and here is why. First, a 30-year fixed rate is only good until you refinance and…rates are higher now so why lock in long term now?

Second, the amount of interest you save in the first 5 years with a lower-rate ARM is huge compared to a fixed rate. Third, the 3-year adjustment period after the first 5 years gives you safety for 8 years+. And, if rates drop significantly, you can refinance just like you would with a fixed rate. Smart Choice!

Keep in mind, nearly all mortgage loans stay at Gale Credit Union. So, give us a call to learn more and receive free, honest advice and counseling for your situation.

Honestly,
Randy McElwee, President/CEO



Turkey Facts:

- Butterball Hotline takes over 100,000 calls each year.
- Only the Boy Turkeys gobble, really!
- Wild Turkeys can run up to 25mph and fly twice that fast.
- Turkey vision is better than humans with 20/20 vision and they have a 270-degree vision.
- A Turkey Snood, the skin flap over the bill, and the wattle under the chin are both used to regulate body temperature.
- A good-looking Snood and Wattle can attract a female mate.
- Kee-Kees, Clucks, Purrs, and Yelps are all forms of communication along with the gobble.

Caution – Holiday Fraud is Real!

The holiday gift giving season unfortunately brings about increased fraud, especially to the elderly, including:

- Text or emails asking you to respond due to package shipping issues – phishing.
- Requests to pay fraudulent bills using gift cards that you purchase.
- Porch Pirates who steal your packages from your porch.
- Charity and donation scams from entities who are not local – not real. *And more…*

Remember, Gale CU offers FREE Scam and Fraud Advice in all of our offices. Just come see us or give us a call.

VOTE!

Please, if you have not already, get out and VOTE! Most of our Members live in downstate Illinois and we desperately need your votes to support our region.



Bill Pay… the most under-utilized safe-secure way to easily pay your bills from your smart phone or PC. Set up recurring payments or pay as you go. You schedule it, we deliver it!

We have offered this free service for a few years now and, to be honest, many of you have not even tried it yet. Those who have tried it now pay near all of their bills using this service. Key advantages include:

- Vendors you pay do not have your debit card or account information – never.
- If your debit card number changes, you do not have to notify vendors you pay to update their records.
- One secure website to pay all of your bills – stop logging into many sites.
- YOU control when the payments hit your account and arrive at the vendor.
- Vendors have NO control to withdraw funds from your account – YOU control it.
- Safe, Secure, and Easy to Use!
- Simply click the Bill Pay icon on your Mobile App to get started – or ask us for help.

Website Update… yes, a new website is still in the works, and it is getting better with an improved platform. We hope to unveil it just in time for Christmas. Stay tuned.

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