

## 5 Steps To Successful House Hunting

Choosing a new home is one of the biggest financial decisions you'll ever make. For that reason, it can sometimes seem like such a daunting task, you aren't sure how to go about it. Here's how: simply follow the five steps outlined below.



- 1. Study Local Market Conditions.** Determine which areas in your region are *buyer's markets*, where the number of available homes exceeds demand, and *seller's markets*, where the opposite is true. Be aware that you'll probably have to spend more for a home that's located in a seller's market.
- 2. Focus Your Search.** Figure out what you want and need in a home before you start your search. Factors to consider include whether you want to live in a single-family dwelling versus a condominium or townhouse, whether you want a new home or a resale, what kind of neighborhood you want to live in, and of course your price range.
- 3. Visit Homes.** Take detailed notes on each home you visit. Pay attention to practical details such as square footage, annual property taxes and average utility bills.
- 4. Compare And Contrast.** Judge each home you've visited based on how well it meets your wants and needs. Then compare them against each other. Identify the ones that have most of the features you consider to be important.
- 5. Make Your Choice.** Choose your home from among the finalists based on how well it meets your needs, as well as on its resale value. And above all take your time while making your decision – after all, it's an important one!

## Managing Your Student Loans

Because the cost of a college education continues to increase, more and more people are relying on student loans. If you're a college graduate who is living with student loans, here are some important issues you should consider.

### These Loans Can Be Paid Off Early

Unlike many other types of loans, government-guaranteed student loans have no pre-payment penalties. That means you can make extra payments and cut down the total amount of interest you'll pay, or pay off your entire loan(s) ahead of schedule – all without penalty.

### The Interest Is Tax-Deductible

At the same time, student loan interest is tax-deductible – again, unlike many other types of loans. This tax benefit could be substantial, especially if you've just started paying back your loans. And while in the past student loan interest was only tax-deductible for the first 60 months of repayment, now it's deductible for the life of the loan. So make sure you can live without this tax benefit before you decide to pay off your loans early.

### And Then There's The Consolidation Option...

Chances are, if you haven't yet received a solicitation in the mail offering to consolidate your student loans, you will in the future. These offers can be tempting, but just as with any other loan refinancing offer, you need to be cautious. Very often, you'll only qualify for the lower interest rate if you agree to extend the term of your loan, which means you'll pay more in the long run. If you're tempted to consolidate because you're experiencing financial hardship, check with the company that is servicing your loan first. They may have a deferral or forbearance program for people in your situation.



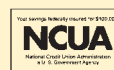
## Products & Services

- Share Savings Accounts
- Sharedraft/Checking Accounts
- Share Certificates (CDs)
- Holiday & Vacation Club Accounts
- Traditional & Roth Individual Retirement Accounts
- Coverdell Education Savings Accounts
- Online Banking
- Direct Deposit
- Payroll Deduction
- ATM Access
- MARS – Member Audio Response System
- Personal Loans
- New & Used Vehicle Loans
- First & Second Mortgages
- Home Equity Lines Of Credit
- Visa Credit Cards – Classic & Platinum
- Money Orders
- Travelers & Gift Cheques
- NADA Used Car Values
- Low-Cost Loan Disability And/Or Life Insurance
- Accidental Death & Dismemberment Insurance
- Quarterly Newsletters
- Notary Service
- Signature Guarantee
- Family Membership

## NBC (NY) Employees Federal Credit Union

30 Rockefeller Plaza, Rm. 716S  
New York, NY 10112  
(212) 664-3970  
Fax: (212) 790-4748  
MARS: 1-888-NBC-7960

Lobby Hours  
Monday – Friday 9:00 AM – 2:00 PM  
Office Hours  
Monday – Friday 9:00 AM – 4:30 PM  
[www.nbcnyfcu.org](http://www.nbcnyfcu.org)



**NBC NY**  
Employees FCU

Second Quarter

THE DIVIDEND

Spring 2006

## New & Used Vehicle Loans

Imagine 1% Financing On Your Next Car Loan!



Spring is a great time to be in the market for a new or used vehicle. Not just because warmer weather makes trips to dealers' lots more enjoyable, but also because dealers traditionally offer substantial rebates and other valuable incentives at this time of year. NBC (NY) Employees FCU, on the other hand, offers a great deal on vehicle financing – and not just during the spring, but all year long.

Our New and Used Vehicle Loans have comfortably low rates and flexible repayment terms. Plus right now we're giving you an extra incentive to finance a vehicle with us. All members who receive a New or Used Vehicle Loan from the credit union by June 30, 2006, will be entered in a prize drawing. The winner will receive 1% financing on their Vehicle Loan (maximum \$20,000 for 36 months)!

### Have Your Loan Pre-approved

We can give you a valuable edge in negotiating with the dealer by pre-approving your NBC (NY) Employees FCU Vehicle Loan before you go shopping. With pre-approval, you know just how much you can afford to spend. You also know that you got a great deal on financing from an institution that has your best interests in mind.

### Refinance Your Current Vehicle Loan

We also offer refinancing for those members who have high-interest vehicle loans with other financial institutions. Thanks to our low rates, refinancing your loan with us could cut your monthly payment down to size without extending your loan's original term.

Call or stop by the credit union to apply for an NBC (NY) Employees FCU New or Used Vehicle Loan or refinance your current vehicle loan today!



**MARK YOUR CALENDAR!**

Our Annual Meeting will be held on Tuesday, May 23, 2006. All credit union members are invited to attend.



## Family Membership

Doesn't your family deserve savings, convenience and personal service when it comes to handling their

financial affairs? We think they do, and we'll be happy to give it to them. All they have to do is join the credit union!

Encourage your family members to call or stop by and fill out a membership application. Once they join NBC (NY) Employees FCU, they will have access to all the great financial products and services we offer. Whether your family members are looking to borrow, save for the future, or manage their money more conveniently, we can help make it happen. And as their needs change over the years, we'll be there to meet them, because of our commitment to offer our members the most current products and services available!

Watch Your Mail For Details About A...  
**SPECIAL VISA OFFER**  
Coming Soon From Your Credit Union

# IRAs

## A Smart Choice For Long-Term Saving



There are a lot of different savings accounts you can use to save for retirement, a first home, or your children's education. But if you want one that offers high yields and unique tax advantages, we recommend an NBC (NY) Employees FCU IRA.

We offer three types of IRA products to meet your long-term saving needs:

◆ **Traditional IRA** – Contributions to a Traditional IRA are tax-deductible up to income limit restrictions. Provisions also allow for penalty-free withdrawals if certain conditions are met.

◆ **Roth IRA** – This investment product has no mandatory distribution date, so your funds can continue to grow throughout your lifetime. And at the time of withdrawal, earnings (interest) are tax-free.

◆ **Coverdell Education Savings Accounts** – For each child under the age of 18, you can contribute up to \$2,000 per year to one of these accounts (which used to be known as Education IRAs). What's more, the money from this type of account can be used to pay for elementary and secondary school costs, as well as college expenses.

Making regular contributions to one of these accounts is a great way to build your nest egg. Establishing a regular routine of savings isn't as hard as you might think – you can make weekly or monthly contributions automatically through Payroll Deduction. Stop by the credit union to invest today!

## TWO FREE ONLINE SERVICES DIRECT ACCESS

You can make transactions on your credit union accounts right from your home computer, anytime day or night. It's as simple as visiting our web site at [www.nbcnyefcu.org](http://www.nbcnyefcu.org) and logging into Direct Access, our free home banking service. Direct Access lets you...

- ☞ **Check account balances**
- ☞ **Transfer funds between accounts**
- ☞ **Review transaction histories**
- ☞ **Make loan and Visa credit card payments**
- ☞ **Download account information into Quicken or MS Money**
- ☞ **Plus much more!**



## ONLINE BILL PAYMENT

We also offer a free online bill payment service that can be used to make one-time payments and schedule automatic payment of recurring bills. The bills will be paid with funds from your credit union Share Draft (Checking) Account.

To get more information or to sign up for either of these great, time-saving services, log onto our web site and click on the peacock for "Other Services."



## COST-CUTTING TIPS

### Teen Auto Insurance

Teen drivers are about four times more likely than older drivers to be involved in a crash.\* No wonder their insurance premiums are so high. They can usually save money on car insurance by getting on their parents' policy, but what about the parents? If your teen is about to start driving, here are some money-saving tips.

- **Look for discounts.** Many insurers offer discounts for teens who get good grades, usually a B average or better. Also, student drivers who complete a driver's education course often qualify for discounts.
- **Shop around.** If ever there was a purchase that merited comparison shopping, this is it. One premium that's just five or 10 percent lower than another could give you substantial savings.
- **Consider the deductible.** You can lower the premiums by increasing the deductible, although this also increases out-of-pocket costs in the event of an accident.
- **Choose the car carefully.** If you own several cars, your insurer may let you designate one that your teen will drive. Choose the one that's least expensive to insure and you could save money. If you're buying a vehicle for your teen, pick a used one to save on insurance. Safety features like airbags and automatic safety belts also lower the premiums.
- **Encourage safe driving.** If your teen avoids accidents and tickets, your premiums will be as low as they can be – plus your teen will be safer.

\*Source: Insurance Institute For Highway Safety.

Get The Latest Credit Union Information Online  
Visit Our Web Site At [www.nbcnyefcu.org](http://www.nbcnyefcu.org)

## COMING SOON...

### Our New Debit Card



NBC (NY) Employees FCU is about to introduce an exciting new product that combines the purchasing power of checks with the convenient account access of an ATM card – our new Debit Card!

Debit Cards will become available this summer. You'll be able to use one of these cards to pay for purchases at literally millions of retail establishments around the world. The purchase amount will be deducted automatically from available funds in your credit union Share Draft (Checking) Account – which means no interest charges and no bill at the end of the month. Your Debit Card will also work as an ATM card, giving you access to your credit union accounts at ATMs.

Our new Debit Card promises to make conducting your financial affairs much more convenient. Call or visit the credit union to learn more.



### Fee-Free Checking Why Pay More For Less?

Some people pay lots of steep fees for a second-rate checking account with another financial institution, but you don't have to be one of them. Sign up for an NBC (NY) Employees FCU Share Draft (Checking) Account and you'll enjoy many money-saving benefits while avoiding all of the excessive fees so many other financial institutions charge.

- ✓ **No monthly service charge**
- ✓ **No per-check charge**
- ✓ **Interest paid with a minimum balance of \$500**
- ✓ **Online check reordering**
- ✓ **Overdraft Protection (subject to credit approval)**

Why pay more for less with another financial institution? Call or stop by the credit union to apply for a Share Draft (Checking) Account today!

### Important News For Parents Of College Students

Nowadays, college students often receive offers for credit cards as soon as they set foot on campus. If your son or daughter is headed off to college, be sure to warn them about these solicitations.

Many college students don't fully understand that a credit card represents a serious financial obligation. To make matters worse, many of the credit cards offered to unsuspecting college students have steep fees and other costs hidden in the fine print. Do your child a favor and review the basics of credit cards with them before they leave for school. Advise them to be sure they are ready for the responsibility of credit card debt before they accept any credit card offer, and to read the terms of the agreement very carefully before applying.

## ESTATE PLANNING

### "Why Do I Need A Will?"

Quite simply, a will lets you be the one who says how your estate will be managed after your death. It's only fitting that your wishes should be honored, since it's your estate. And you shouldn't assume things would work out the way you'd want them if you don't leave a will. They might not.

For example, each state has its own rules about how your property will be distributed among your heirs if you die without a will. In most states the surviving spouse receives a percentage of the estate, with the rest going to the deceased's children. Maybe this isn't the arrangement you would want. In some cases your property could go to distant relatives, or even the state itself. You'll also need a will if you want to leave money to charity or if you want to specify which of your inheritors get certain belongings.

A will is even more important if you have minor children, since it's in your will that you designate their guardian. Without a will, your children's guardian would be appointed by the state. This isn't the kind of decision most people would choose to leave to the government.

The bottom line is, a will eliminates uncertainty about what you would have wanted. That reduces stress for your survivors, who will be under a strain already just coping with your death. So by creating a will, you're doing the people you leave behind a favor. Just be sure to keep it up to date once you have it. You should update your will after any major life change, such as the birth of a child, the death of an inheritor, marriage or divorce.

Help our family grow!  
Pass this newsletter along  
to a family member or  
coworker and encourage  
them to check out  
NBC Employees FCU!