

Improve your credit score

Your credit score is extremely important. Like your Social Security number, your credit score follows you wherever you go, whether it's to apply for a mortgage, a car loan, or a job. So naturally, if you know how to check your credit and if you're armed with tips on how to improve your credit score, you will be in better shape than someone who isn't. Does your credit score seem low to you? Some tips for improving your score are listed below.

Ways to Improve Your Credit Score

1. Review your credit report for any errors and correct glitches that may not be accurate.
2. Refrain from opening a lot of new accounts over a short period of time, especially if your credit history is on the shorter side to begin with.
3. Pay your bills on time.
4. Don't open credit lines you probably won't use. For example, don't open a lot of store credit cards just to get the initial 10 percent discount.
5. Instead of moving credit card balances to lower rate cards, try to pay them off. Transferring balances can change the ratio of your total credit card balances to your total available credit lines, hurting your credit score.
6. Open a few new credit accounts, use them responsibly, and make your payments on time.
7. Try to use your credit cards less. Even better, pay them off every month. The bigger the space between your

total credit limits and the balance you carry, the better.

Try to keep your balance below 25 percent (for example, \$2,500 if your credit limit is \$10,000).

8. Contrary to what you may have heard, don't close old, paid-off accounts. Credit companies used to advise people to close old credit cards they were no longer using. But closing these cards shortens your credit report and makes you seem less credit-worthy.
9. Avoid bankruptcy. Declaring bankruptcy is one of the worst things you can do for your credit score. It may seem like the easy way out in the short term, but over time it will cost you tons in the way of high interest rates.

Overall, keep in mind that negative items on your credit report are a lot more powerful than positive items. A late payment can affect your score in a month or two, while making payments on time can take six to 12 months to improve your credit rating. Also remember that having too much credit can be as bad as not having enough, if your credit has been mismanaged.

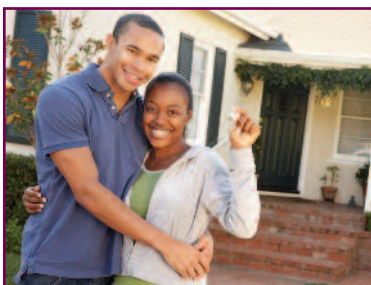


First-Time Home Buyer Tax Credit

Many first-time homebuyers are eligible for up to an \$8,000 tax credit under the new economic stimulus package this year. This credit is available if you purchase(d) a home between January 1 and December 1, 2009. The biggest advantage of this tax credit, compared to previous ones, is that it does not have to be repaid to the government.

Who is considered a "first-time" homebuyer, and what other limitations apply?

"First-time buyers" are those who haven't owned a "principle residence" for three years prior to purchasing a home. The tax credit is subject to income limitations, however. A single first-time homebuyer needs an income of \$75,000 or less to be eligible for the full credit (\$150,000 for married couples). This tax credit is equivalent to 10% of the purchase price of a home, up to a maximum of \$8,000. In order to receive the credit, you will need to claim it on your 2009 or 2010 income tax return. The credit reduces your tax liability, meaning you could owe less or get a bigger refund when you file. However, if you sell the "principle residence" within three years of purchase, you are liable to repay the entire tax credit.



What does this mean for me?

If you are in the market for your first home, this is a great incentive. It makes sense to use this tax credit to your advantage; however, each individual's need varies. Remember too, your Chicago Municipal Employees Credit Union (CMECU) membership gives you access to some of the lowest mortgage rates anywhere! With CMECU's closing costs lower than many financial institutions, your path to homeownership could be more affordable than ever. **Call us to get pre-qualified or get a rate quote today!** For complete details about the first-time homebuyer tax credit, visit www.irs.gov or consult your tax advisor.

You don't need a payday loan. You need a **STRETCH PAY LOAN!!**

It can happen to anyone. Unexpected expenses, a new baby, a cutback in hours, or the layoff of a spouse... and before you know it, you're living paycheck to paycheck. In these times, with cash flow tight, payday may not arrive soon enough to cover expenses or pay bills on time. If you find yourself with too much month and not enough money, Stretch Pay — the credit union salary advance alternative — can help.

Our Stretch Pay Loans are a simple, trusted source of financing, designed to help members manage temporary financial strains by providing an advance on their paycheck up to \$1000. Our rates are more reasonable than payday lenders' interest rates for similar products. Some of the features include:

- Credit limits/minimum advances of \$500. \$50 fee for each advance can be deducted from the loan amount; OR
- Advances on your Net pay (rounded down to nearest hundred; \$1,000 max advance). \$100 fee for each advance can be deducted from the loan amount;
- 30-day repayment term;
- Paid in full requirement prior to new/additional advances;
- 50% Annual Percentage Rate;
- Active Direct Deposit required.

To learn more or apply for a Stretch Pay Loan, stop in and see one of our friendly representatives today, visit cmecunonline.org, or call us at 312-236-2326.

Stretch Pay Loans are not available to members who have filed bankruptcy or have delinquent accounts at CMECU. Active direct deposit required; borrower must be at least 18 years old, a CMECU member for at least 90 days, and must present a check-stub.



NEW FEATURE ALERT

Starting August 1, 2009, CMECU will enhance your low interest rate Classic Visa, Gold Visa, or Platinum Visa card with the ScoreCard Rewards program! You will earn one point for each dollar charged to your CMECU Visa card. Accumulated points can be redeemed for a variety of merchandise and travel rewards.

To check out the rewards catalog, visit www.scorecardrewards.com.



Starting in October, the CMECU membership will be able to transfer funds between financial institutions and individuals—domestically and internationally—efficiently, secure and economically with Domestic Wires, International Wires and Western Union.

Also in October, CMECU will start offering Cashier's Checks.

IT ONLY TAKES A MINUTE

Keep us up to date, so we can keep you up to date!

On your next visit or call to the credit union, please take a moment to verify the information we have on file for you.

For your convenience you can now access the address change form on our web site. Under the contact us section we have downloadable forms to fill out and fax back to the credit union with the necessary documentation. Fax: 312 236-1147

Both offices of Chicago Municipal Employees Credit Union will be closed on the following holidays:

Monday, October 12th • Columbus Day
Wednesday, November 11th • Veterans' Day
Thursday, November 26th • Thanksgiving Day

Friday, December 25th • Christmas Day
Friday, January 1st, 2010 • New Year's Day

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MECU "Telephone Teller"
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