

## Refinance your house

You might be one of many Americans who could benefit from refinancing your home.

About three million borrowers could save at least \$200 a month by refinancing. By refinancing and locking in a better rate on your loan, you could reduce your monthly payment and save thousands of dollars in interest on the life of your mortgage.

A lower interest rate also could allow you to build equity in your home more quickly. If you're considering refinancing, your lender will run a copy of your credit report.

### Here's what you'll need to go with your application:

- Copies of previous two years' W-2 forms
- Copy of two most-recent pay stubs
- Two to three months' worth of the most recent statements for checking/share draft and savings accounts
- Copy of current home-owners insurance policy
- Copy of current photo ID/driver's license for all borrowers

### Approval

When you refinance, you close your existing mortgage and create a new one. The approval process to refinance is similar to the process of obtaining your original loan.

The specialists at your credit union will consider your income and debt, credit score, and other factors affecting your financial situation.

Your new interest rate will be based primarily on your loan-to-value position and credit score. When considering a refinance, you also want to understand your

break-even point: Weigh the costs of refinancing against how much you'll save each month to know when you will recoup costs over the length of your new loan.

For help evaluating if a refinance is right for you, go to the credit union website, [ksbcbscu.org](https://ksbcbscu.org) and click on the BORROW button. On the drop-down menu under BORROW, click on Mortgage Loans. On the mortgage loans page, you can find more information about options available and use the links to the credit union's mortgage partner site which has calculators, rates and a link to the online application when you are ready to get started.



## Important dates

- April 1-30 - Financial Literacy Month
- April 18 - 2021 IRA contribution deadline
- May 30 - Closed for Memorial Day holiday
- July 4 - Closed for Independence Day holiday

## Annual meeting

The 68th Annual Meeting of the Kansas Blue Cross Blue Shield Credit Union is currently scheduled for Tuesday, July 26. Plans for this year's meeting include an in person gathering to share 2021 results and future goals. Watch the credit union website and the next newsletter for additional details.

# Financial advice you should never follow

The beauty of the Internet is that anyone can start a blog. The ugly truth about the Internet is that anyone can start a blog. And no, that's no typo. There's a lot of content floating out there about how to manage your money and build long-term wealth, but not all of it is good.

- **Ignore advice that is shameful in nature.** If you're on a diet, you don't necessarily want someone shaming you for eating a piece of candy. It doesn't accomplish anything and probably makes you want to eat even more candy. Same with financial advice. If you follow a blogger who makes you feel like you have to take an all-or-nothing approach to your spending strategy, it's probably not very good advice and won't get you anywhere.
- **Completely disregard anyone who tells you to keep your money in cash.** There's a blogger out there whose tagline is literally, "Hoard Your Cash." That is probably the worst financial advice ever. To build wealth, you need to invest to make your money work for you, and it's easier to save if the money is being automatically routed to savings and investment accounts from your paycheck. Any "financial guru" who tells you to keep it in cash probably isn't very good with money.

- **Avoid anyone who calls themselves a guru ...** because real financial pros usually call themselves CFPs, or certified financial planner.
- **"Go ahead, just spend!"** A lot of bloggers get affiliate income from pushing certain products. It's not wrong, but sometimes, big banks have big pockets to influence pushing different financial products, like high-interest credit cards. If it seems spammy, it probably is. A lot of bloggers also make good money from their blogs, but it's hard to get authentic advice from someone in a different financial situation. Be sure to look out for **#spon** or **#ad** tags so you know to take the advice with a grain of salt.

The best advice is to find a financial institution you love. But what's more? You should also trust the people at the branch (or at least trust their mission). Kansas Blue Cross Blue Shield Credit Union's mission is to enhance members financial wellness by providing exceptional products and services. The key is building relationships, not just following advice because it seems like a good idea at the time. With Kansas Blue Cross Blue Shield Credit Union, it's easier than you think! Stop in today.

## Stay up to date and secure with your free credit score

The Kansas Blue Cross Shield Credit Union offers you access to your credit score along with personalized tips on how to improve or maintain an already great score. You can refresh your score daily with no impact to your credit.

It's built right into our already easy-to-use Virtual Branch online banking system and TouchBanking, the mobile app, so you don't need a new login. Benefits of checking your score today include the ability to:



- Receive monitoring alerts
- Identify credit bureau errors

### How to find my score

**It's easy!** No new login required - access your score anytime and anywhere!

- 1 Log into Virtual Branch or mobile banking.
- 2 Click on 'What is my Credity Score?' graphic.
- 3 Answer four quick enrollment questions.
- 4 See your score!



## HOW TO IMPROVE YOUR CREDIT SCORE



### 1. CHECK CREDIT REPORT

Order your free credit report from [annualcreditreport.com](http://annualcreditreport.com) each year and check for errors. If you find any, file a dispute with the credit reporting agency to have it fixed.



### 2. PAY YOUR CREDIT CARD BILLS ON TIME

Prove to the lenders that you can reliably pay your debt on time every month. Download a bill paying reminder app on your phone to help you pay bills on time.



### 3. KEEP YOUR MONTHLY BILLS LOW

Ideally, you'll want to pay your monthly balances entirely, but if that's not possible, keep the total credit used under 30% of the available credit.



### 4. CLEAR UP ANY COLLECTION ACCOUNTS

Pay off the debt as soon as possible. These accounts stay on your report for 7 years, so the sooner you pay it off, the quicker it will come off your report.



### 5. DON'T OPEN A LOT OF NEW ACCOUNTS AT ONCE

Each time you open an account, the creditor makes a "hard inquiry" on your credit. Each inquiry lowers your credit score by a few points.