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MONEY *Matters*



When 0% Interest Isn't Your Best Auto Loan

When it comes to auto loans, a 0% interest rate is a head-turner, but it's not always the best deal.

Car dealerships generally advertise 0% offers in the summer when they're looking to make room in the showroom for newer models. The offers come from the financing arms of the large auto manufacturers, which unlike traditional lenders profit directly off the sale of the car and don't necessarily need the interest revenue.

But like any great deal--there's a catch. According to The New York Times, only about 10% of consumers actually qualify for 0% interest loans, which require pristine credit--usually a FICO score of 720 or higher. Those loans typically are reserved for a limited number of models and are not available if you're shopping for a used car--which cost less than newer models.

These 0% loans often are paired with shorter-term loans, which cost you less overall but mean a higher monthly payment. So before you head to the dealership chasing a 0% loan, keep these points in mind:

- * Look at all available deals. Check for other offers, such as cash back. If you can get a rebate--which lowers the overall price of the car--paired with a low-interest loan, it may save you more than the 0% financing.

- * Negotiate the price. Before you get to the interest rate, finalize a sale price and stick to it. Don't feel pressured to accept expensive add-ons. Once the sale price is established, then talk about financing; and

- * Get preapproved for a loan at Germania Credit union. Heading to the dealership with a firm offer in hand will give you a point of comparison and puts you in a stronger negotiating position. Credit unions, as not-for-profit financial cooperatives, offer competitive rates.



Auto Dealer Extras Cost Less at the Credit Union

Pay attention to what auto dealerships are charging for GAP (guaranteed asset protection) insurance and mechanical repair coverage. GAP insurance covers the difference between what a consumer owes a lender and what an auto insurer will pay if a car is totaled or stolen shortly after it's purchased. Mechanical repair coverage extends the dealer warranty, sustaining the resale value. Germania Credit Union offers these products, often at a substantially lower cost.



Office Hours:

Monday - Friday
8:00 am - 5:00 pm

(No transactions after 4:00 pm)

Germania will be closed

Monday, July 4th & Monday, September 5th
in observance of
Independence Day & Labor Day



Current Rates:

Annual Percentage Yield (APY) for Regular Share Accounts is accurate as of 6-30-2016.

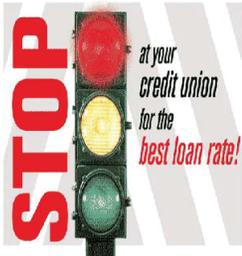
Regular Share Account

Dividend Rate..... 0.025%

APY 0.025%

Contact the credit union for further information about applicable rates, fees and terms.

New Lower Car Rates!



New Car Rates (Up to 2 Years Old)

Term	*APR
Up to 36 mos.	2.35% to 8.20%
37 to 48 mos.	2.60% to 8.45%
49 to 60 mos.	2.85% to 8.70%
61 to 72 mos.	3.45% to 4.55%

Used Car Rates

Term	*APR
Up to 24 mos.	2.85% to 8.70%
25 to 36 mos.	3.10% to 8.95%
37 to 48 mos.	3.35% to 9.20%
49 to 60 mos.	3.60% to 9.45%
61 to 72 mos.	4.20% to 5.30%

*APR is Annual Percentage Rate. The APR you receive is for the indicated loan type will be within the range disclosed and is based on various credit worthiness criteria. Applicants must qualify based on normal credit approval guidelines. Loan terms and rates subject to change without notice.

Statistics:

(as of May 31, 2016)

Assets	\$9,981,250
Shares	\$8,510,989
Loans	\$6,516,292
Members	2554



Don't forget! Let us know if you're moving or changing your mailing address.

COMPLAINT NOTIFICATION

If you have a problem with the services provided with this credit union, please contact us at:

Germania Credit Union
PO Box 645
Brenham, TX 77834-0645
Phone (979) 830-7508
Email: gcu@germaniainsurance.com

The credit union is incorporated under the laws of the State of Texas and under state law is subject to regulatory oversight by the Texas Credit Union Department. If any dispute is not resolved to your satisfaction, you may also file a complaint against the credit union by contacting the Texas Credit Union Department at:

914 East Anderson Lane
Austin, TX 78752-1699
Telephone Number: (512) 837-9236
Website: www.cud.texas.gov

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Where people are worth more than money.™

