



## There's No Place Like Home ... Equity

Do you own a home? If so, you may be sitting on one of the most powerful financial tools available to you – your home's equity. Your equity is the difference between the market value of your home and your mortgage, or any other liens against the home.

- You can borrow against the equity in your home for just about any reason, including:
- Debt consolidation (an important consideration if your holiday bills are still piled up).
  - Home maintenance or remodeling.
  - Tuition payments.
  - Major appliances or a new vehicle purchase.
  - A once-in-a-lifetime vacation.

Even if you don't have a current need for the money, you may want to consider opening a home equity line of credit so you have the cash available for emergencies, such as uncovered medical expenses or major car repairs.

Home equity loans are disbursed in a lump sum, while home equity lines of credit are available to use as you need them. As funds are paid back, they become available to

borrow again. Loans are usually best for a major one-time purchase, while lines work better for recurring expenses (such as remodeling costs). Interest rates on home equity loans and lines of credit are generally lower than for other types of credit, and the interest you pay may be tax-deductible (consult your tax advisor).

### CONTACT US FOR MORE INFORMATION

To explore whether a home equity loan or line is right for you, call us at **(916) 444-6070** or stop by your branch. And now you can even apply for a home equity loan or line online at [www.sactocu.org](http://www.sactocu.org). Apply today, and start taking advantage of your home's equity to make your financial life easier.

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### Calendar of Events

**Presidents Day – Feb. 18**  
**SCU Offices Closed**  
**Annual Meeting – Feb. 21**

## Invest in Sacramento

## Grab Some Coins for Kids – Look in the Couch!

Once again, Sacramento Credit Union is participating in the "Radiothon" sponsored by local radio stations to raise money for the Children's Miracle Network, an international nonprofit organization dedicated to raising funds for children's hospitals. Locally, Children's Miracle Network benefits the UC Davis Children's Hospital. The Radiothon will be held Feb. 21 to 23.

As part of the event, Sacramento Credit Union is sponsoring the "Coin Grabbers" program, a fun way for kids to become involved by collecting spare change to donate. All they need to do is:

- Start collecting change from friends, family and neighbors — check the couch.
- Bring the donations to any Sacramento Credit Union branch through Feb. 15.

**For each \$25 donation brought in, you'll receive a ski lift ticket and a pass to the "Coins for Kids" party at Strikes Family Entertainment Center.**

Here's a great chance for the whole family to be involved in a charitable cause, and it's fun to boot! So get started today (how about under the car seats?) — visit [www.sacradiathon.com](http://www.sacradiathon.com) for more information.



## Open Accounts Online!

Sacramento Credit Union has added a new, convenient service to its online arsenal. Now you can open and fund accounts online in minutes – checking, savings and even certificate accounts – without making a trip to the credit union.

Visit [www.sactocu.org](http://www.sactocu.org) today and see "Open an Account Online in Minutes!"



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**Branch Hours**

Mon. - Thurs. • 9 a.m. to 5 p.m.  
 Friday • 9 a.m. to 6 p.m.

**All Offices**

Phone: (916) 444-6070  
 Toll Free: 1(888) SACTO-01  
 24-Hour LoanAccess Line  
 Toll Free: 1(877) 444-LEND  
 E-Z Access: (916) 441-2255  
 Toll Free: 1(800) 397-2255

**Elk Grove**

9160 E. Stockton Blvd., Ste. 120

**Fair Oaks**

8100 Madison Avenue

**Sacramento**

3660 Bradshaw Road  
 800 H Street  
 3045 Arden Way, Ste. 200  
 6121 Franklin Blvd.  
 Kaiser Hospital\*  
 6600 Bruceville Road  
 \* Limited hours of operation.

[www.sactocu.org](http://www.sactocu.org)

**Home Loans**

[www.SCUhome.com](http://www.SCUhome.com)  
 (916) 441-LOAN

**SCU Investment Services**

(916) 444-8599, ext. 3112

**Personal Auto Shopper  
 Autoland**

(916) 449-2763



## New FICO System Know the Score on Your Credit Rating



Your credit score can affect everything from whether or not you are approved for a loan to your ability to land a job. Fair Isaac Corp. (FICO), a national leader in producing credit scores, plans to roll out a new system for calculating credit scores by the second quarter of this year. The changes could affect your current score.

**WHAT'S NEW?**

The new FICO score, called FICO 08, is designed to be a more accurate measure of credit risk. Among the changes:

- More points will be given to consumers with several credit types in good standing (for example, an auto loan, credit cards and home equity loan). The rationale is that these borrowers have shown they can manage payments on different kinds of loans. *Result:* Someone with more types of accounts may receive a higher score than someone with several of the same type of accounts, even if the borrowers have similar repayment histories.
- There will be more differentiation between borrowers who are occasionally late with a payment and those who are habitually late or whose payments are seriously late (90 days or more). Those who slip up occasionally will be penalized less, provided they have other accounts in good standing. *Result:* One or two late payments won't hurt as much as in the past, as long as it doesn't become a pattern.

- FICO will no longer consider credit card accounts on which you are an authorized user only when determining your score. This is designed to help prevent fraudsters or individuals with a bad credit history from riding on the coattails of a borrower with good credit. *Result:* Being an authorized user on a credit card will no longer help your score, even in legitimate cases, such as where a parent names a child as an authorized user.

**WHAT'S YOUR SCORE?**

Your credit score affects whether you get a loan and your loan rate, so consider checking your score before applying for credit. You can obtain your FICO credit score for a fee at [www.myfico.com](http://www.myfico.com).\* You can also check your credit reports for free once a year at [www.annualcreditreport.com](http://www.annualcreditreport.com); your credit score is available at an additional cost.\*

\* Web sites are provided for information only and are not affiliated with or endorsed by this credit union.



### What's a Credit Score?

A credit score is a number used by lenders to determine whether or not you are a good credit risk. Credit scores are typically based on the number and type of credit accounts you have open, the amount of credit you have accessed, how long you've had each account and your payment history. Many lenders use FICO scores when deciding whether or not to extend a loan. FICO's highest scores – eligible for the best loan rates – range from 760 to 850. As scores fall below that range, rates and terms become less favorable. Consumers with scores below 500 are unlikely to be approved.

