



"I originally got my home equity line of credit for a home remodeling project. Over the years, I also used some funds to care for my mother-in-law after she had a health setback, and to help my two kids with college expenses. Now, ten years later, I'm focusing on finishing those last little details on the remodel and plan to celebrate with a trip as a reward for final completion on a project long overdue!"

— Jim Snow, Elevations member for over 40 years

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HOME EQUITY

YOUR HOME CAN FINANCE YOUR DREAMS AND MANAGE YOUR DEBT

By Gloria Wadzinski

Would you like to pay off your debt faster? Get a better deal on car financing? Have money available in case of emergency? Your home can help you attain these goals and more. Here's how:

If the amount you owe on your mortgage is less than what your home is worth, you have **equity**. When you use your home's equity to secure a loan or line of credit, the rate is often lower than a credit card or other means of financing. In most cases, you also get a tax deduction on the interest you pay. This savings makes home equity loans a good tool for money management. Here are some suggestions:

Home Improvements

Making your home larger or more

livable is a natural choice for a home equity loan because it reinvests the money back into your home. Projects that bring the best return when you sell your house are updating your kitchen and bathrooms, adding living space, and getting new flooring. Of course, you may not have to sell if you upgrade your home to better suit your lifestyle. A general rule of thumb is that it costs 10% of your current home's value to sell, move, and buy a new home. So if you

can make your existing home fit your needs for less than 10% of its value, then you're ahead of the game.

Education

Average college tuition costs have

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Wise Use of Home Equity:

- Home Improvement
- Education
- Debt Consolidation
- Vehicle Purchase
- Emergency Fund

CONSUMER ADVICE

WHY NOT BUY A CAR ON EBAY?

By Remar Sutton, national consumer advocate and author of "Don't Get Taken Every Time."



Ebay has become the gorilla of vehicles sales virtually overnight—they've facilitated over two million vehicle sales since starting their program. What's not to like about that?

A lot of things. Before you even head to the eBay site to simply poke around, think about this:

- When you buy on eBay, you're typically buying "sight unseen."
- You usually don't get to drive the vehicle.
- You're typically buying from total strangers, and they are usually far away.

Listen to two of the players in the eBay market:

"Every 60 seconds, someone buys a car or truck — sight-unseen — on eBay Motors." Steve Hass,

Senior Manager for Vehicle Sales at eBay Motors, said it. And did you notice the emphasis on "sight-unseen"?

Why would Mr. Hass emphasize "sight-unseen"? In my opinion, because he's talking to sellers of vehicles—not buyers. A seller with a problem vehicle just loves to hear that a buyer can't see the vehicle. But do you, as a potential buyer, like that?

"75% of all vehicles sold on eBay Motors are sold to out-of-state customers." The quote is from "The Secrets of Selling on eBay Motors," a training program sold by "DealersEdge." DealersEdge is a big trainer of auto dealerships when it comes to selling techniques.

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doubled in the last 20 years. Even if you have scholarships or savings, you'll probably need additional money to pay for college. Getting a home equity line of credit before your child heads off to school is a smart move. You'll only pay interest on the funds as they are used, and when those expenses roll in, you'll be ready.



Debt Consolidation

Consolidating debt with a home equity loan is a great way to pay debt off faster. Since the loan is tied to your home, the interest rate is usually lower than most credit cards or personal loans. With a lower rate, more of your monthly payment goes toward principle so your debt is reduced faster.

"My wife and I were working on a fixer-upper that we could turn into our home. As those remodel costs built up, our home equity loan let us consolidate our expenses on all of our credit cards into one lower fixed monthly payment."

— Matt Henry, Elevations member for over 7 years

We'll help you evaluate your situation to determine whether accessing your home's equity would be financially beneficial to you. ■

Vehicle Purchase

If you get a home equity loan before you car shop, you'll have a negotiating advantage. Using your home equity, you become a cash buyer at the dealer, simplifying the entire transaction. Most dealer "tricks of the trade" are eliminated. Also, the low rate combined with a possible tax deduction can give you a better deal than traditional car financing.

Emergency Fund

A home equity line of credit can come in handy when life throws you a surprise. Major expenses like hospitalization or emergency home repair are less traumatic when you know you have funds available.

Whatever your needs, you can trust Elevations Credit Union to give you sound advice. As a member-owned cooperative, we have a vested interest in your financial well-being.

NEXT STEP
Get An Elevations Home Equity Loan or Line of Credit

Our member service representatives would be happy to discuss your personal circumstances and recommend a home equity option.

- Great low rates
- No closing costs
- Credit card access

3 WAYS TO APPLY

- Visit a branch in Boulder, Longmont or Lafayette
- Call 303.443.4672 or 800.429.7626
- Use our secure online application at ElevationsCU.com

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Why would a company want to say that "75% of all vehicles on eBay Motors are sold to out-of-state customers"? In my opinion, because it's very hard for a dissatisfied customer to go after an out-of-state seller.

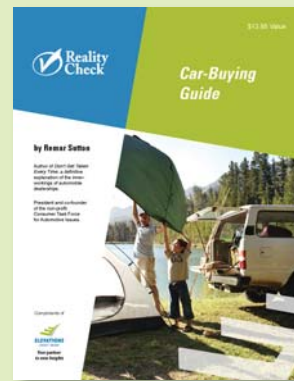
There's an old rule in the car business: You keep the good used cars and dump the bad ones.

eBay unfortunately may be a site where some bad people are trying to dump a lot of bad cars. I'm sure eBay hates that as much as I do. Make sure you're not a victim of that dumping. ■

What to do if you're going to shop on eBay, anyway: I personally wouldn't buy a car online from anybody, and certainly not at eBay. But if you're going to even think about buying online, do this:

- Follow the regular used-car buying steps on our RealityCheck website.
- Don't buy a car sight unseen.
- Don't buy any eBay car without having it inspected.
- Slow down!

Opinions expressed in this column are by consumer spokesperson, Remar Sutton, and may not necessarily reflect the opinions of the Credit Union.




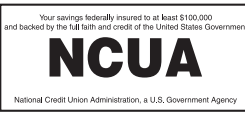
The RealityCheck Car Buying Guide, written by Remar Sutton, gives you the tactics and tools to prepare yourself to negotiate like an expert. Guides are available for free in our branches, by calling 303.443.4672, or by going online to ElevationsCU.com and clicking on the RealityCheck tab.

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