

RED WING CREDIT UNION



QUARTERLY FOCUS

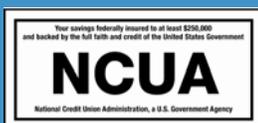
Preview Spring 2022

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651-388-7133

3303 North Service Drive • Red Wing
www.redwingcu.com



Ready for a fast, safe, and free way to send and receive money with people you know and trust? With Zelle®, you can do everything from splitting the cost of bills, to paying back friends, to sending money to your landscaper.

Red Wing Credit Union is excited to announce we have partnered with Zelle®. Coming in early May, you will be able to access Zelle® through Bill Pay on our mobile app or online.

USING ZELLE® IS:



FAST

Send money directly from your account to theirs, typically in minutes



SAFE

Send and receive money right from your online or mobile bank account



FREE

There are no fees to send money with Zelle® from our online or mobile banking app

More details will soon be available. Come in and ask about all of our quality products and services – we welcome the opportunity to better serve our members each and every day!

THE TRUE COST OF Homeownership

Purchasing a home offers significant month-by-month savings for eligible members - and an average homebuyer could save \$2,263 a year - and \$12,776 over five years - through lower monthly payments.

HERE'S HOW



Discover how you could come out more than \$43,343 ahead over five years when you factor in the **tax savings** and **building equity** in the home.

Tax Savings and Building Equity



$$\$30,703 + \$12,776 = \$43,343$$

TAX SAVINGS AND EQUITY

DIFFERENCE BETWEEN RENT AND MORTGAGE PAYMENTS

COST SAVINGS OF OWNING A HOME OVER 5 YEARS

Buying a home is an important decision. In addition to the savings homeownership offers over renting, eligible members also benefit from a fixed monthly payment over the life of their mortgage. Once a mortgage is paid off, a home often becomes the member's most important asset.

Ask our mortgage loan officer, Rebekah Hanson, how much you could save by using mortgage insurance to finance your home purchase.



Rebekah Hanson
(651)267-4228
Agent NMLS #481010
rebekah@redwingcu.com

ASSUMPTIONS: Base loan amount \$250,000, two borrowers, 720 credit score, 41% DTI, 30-year fixed-rate purchase loan with a 3.75% note rate, single-family house, stable market, 95% LTV priced by Arch MI RateStarSM. Premium as of April 7, 2020. Net housing expenses exclude pre-paid loan fees, closing costs, property taxes and insurance. Monthly rent according to the national average YardiSM Matrix as of January 2020.

¹ Monthly rent based on Yardi Matrix national average, January 2020.

² Monthly mortgage, including principal and interest (PI) and mortgage insurance (MI).

³ Potential savings on mortgage interest deduction for those who itemize. Members should consult their tax adviser for more details.

⁴ Home equity calculation assumes average home price appreciation of 1% annually.

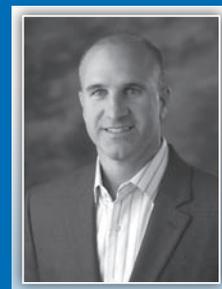
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INVESTMENT CORNER

by Rich Douglas



PULLBACKS, CORRECTIONS, AND BEAR MARKETS

When the market drops, some investors lose perspective that downtrends and uptrends are part of the investing cycle. When stock prices break lower, it's a good time to review common terms that are used to describe the market's downward momentum.

PULLBACKS.

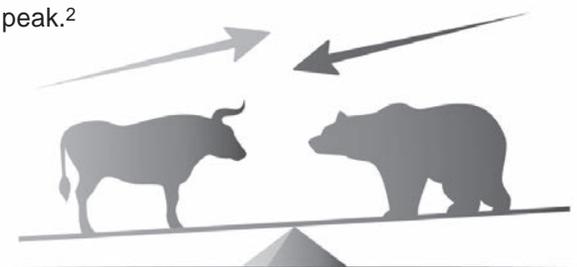
A pullback represents the mildest form of a selloff in the markets. You might hear an investor or trader refer to a dip of 5-10% after a peak as a "pullback."¹

CORRECTIONS.

The next degree in severity is a "correction." If a market or markets retreat 10% to 20% after a peak, you're in correction territory. At this point, you're likely on guard for the next tier.²

BEAR MARKET.

In a bear market, the decline is 20% or more since the last peak.²



ALL OF THIS IS NORMAL.

"Pullbacks, corrections, and bear markets are a part of the investing cycle."

When stock prices are trending lower, some investors can second-guess their risk tolerance. Periods of market volatility can be the worst times to consider portfolio decisions.

Pullbacks and corrections are relatively common and represent something that any investor may see from time to time in their financial life, often several times over the course of a decade. Bear markets are much rarer. In fact, between April 1947 and September 2021, there have only been 14 bear markets.³

A retirement strategy formed with a financial professional has market volatility factored in. As you continue your relationship with that professional, they will also be at your side to make any adjustments and help you make any necessary decisions along the way. Their goal is to help you pursue your goals.

1. Investopedia.com, August 23, 2021, 2. Forbes.com, September 20, 2021, 3. Investopedia.com, October 29, 2021

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ISABEL SCHAFER

Please help us welcome Isabel Shafer to our Financial Service Representative team. Isabel is a junior at Red Wing High School and is taking post-secondary enrollment option classes through Minnesota State College Southeast. After high school graduation, Isabel is currently undecided on a major for college. In her free time, she enjoys playing soccer, traveling, and spending time with her two dogs. Come in and say "Hi" to Isabel the next time you are in the credit union!



ANNUAL CREDIT UNION SCHOLARSHIPS

Red Wing Credit Union is pleased to announce we will again be awarding two \$500 tuition scholarships to our membership. We also have the Rhonda Schultz Memorial Scholarship for \$1,000. Those interested in applying need to complete the application available on our website, www.redwingcu.com. Please complete the application which includes a five-hundred-word essay that answers the following question:

Community service is an integral part of credit unions. Share an experience when you contributed your time and/or talents in the community. What did you learn from this experience?

The deadline for this application is Monday, May 2, 2022. Scholarship winners will be announced in the next edition of this newsletter, as well as in the Red Wing Republican Eagle.

The qualifications for these scholarships are: the recipients must be a member of the credit union, a 2022 graduating senior in high school, and maintain a 3.00 grade point average in their first term at an accredited, post high school institution of higher education.

THEFT & FRAUD PREVENTION

Scams target people of all ages, backgrounds, and income levels; any of us may be vulnerable to a scam at some point in our lives.

While the specifics of scams can vary, scammers generally follow a common pattern: they connect with a victim by phone, email, through social media or online, where they create a sense of urgency. It could be a suspicious purchase, a lost package, or an order they can't fulfill. Scammers pretending to be companies like Amazon or Apple are trying to convince you there is a problem and they just need a little information from you. The problem is, that a little bit of information could cost you big time.

We have created a resource page on our website with some reminders to help keep your information safe and secure. Visit redwingcu.com/theft-scam-info/ today. If you have fallen victim to a scam, please contact the credit union immediately at **651-388-7133**. We can assist you in proactively securing your account to try and avoid any losses.

Spring and Summer HOLIDAY CLOSINGS

Red Wing Credit Union will be closed to commemorate the following holidays:

- Memorial Day**Saturday, May 28
.....Monday, May 30
- Independence Day**Saturday, July 2
.....Monday, July 4



Remember, you can access your credit union accounts 24/7 via www.redwingcu.com, Touch Tone Teller (877-388-5349), and our mobile banking app. You can also obtain cash with an ATM or check card. Come to the office and talk to a member service representative about these free services.