



COMMUNICATOR

Finding Home Improvement Funds

MCFCU Home Equity Loans

During the winter months, our thoughts sometimes turn toward the coming days of spring and summer. Now is a good time for some advance planning about those warm weather home improvement ideas. If you're thinking of adding a sun deck, swimming pool or exercise room to your home, you're probably wondering how you're going to pay for it. Chances are you will need to finance it.

You have numerous options, from paying with a credit card to refinancing your first mortgage. Another alternative is a home equity loan from your credit union. Our equity loan lets you turn big purchases into tiny payments with:

- Low rate – Prime less 1/4% (3.75% APR*)
- No fees
- Limits up to 80% of the appraised value (less mortgage & liens)
- Credit limits from \$5,000 to \$100,000
- Interest may be tax deductible (consult your tax advisor)
- Plus, get a \$50 gift card from the Home Depot

Many borrowers also use a home equity loan for debt consolidation. If you're spending more than 15% of your net income to repay unsecured obligations (credit cards, student loans, etc.) you have too much debt. In most cases, consolidation can significantly reduce your monthly interest charges, allowing you to repay your debts at a lower rate.

A home equity loan requires a lot of thought. A good place to start is with a lending officer at MCFCU. Based on your priorities, credit history, and current credit commitments, our loan officer can offer you the best solution to meet your needs. For additional information or to apply for your home equity loan, call or stop by the credit union.

*APR = Annual Percentage Rate. Rate subject to change. Home Depot Gift Card available upon closing while supplies last.

Prime
Less 1/4%*
& No Fees!

Plus, Receive
a \$50
Home Depot
Gift Card*!

Need Extra Cash? Skip-A-Payment.

MCFCU is offering Skip-A-Payment to members who have a loan through the credit union. If your existing loan payments are up to date and you have a good payment record, you may be eligible to skip a payment on each of your credit union loans (excluding mortgage, home equity, and VISA credit card loans). If you have payroll deduction, any funds in your account will be available for you to withdraw, provided you have arranged for Skip-A-Payment. Qualified members may skip one payment on each loan per year.



To request a Skip-A-Payment form, contact the Loan Department at 734-425-5080 or stop by the credit union office. Finance charges will continue to accrue on your outstanding loan balances. A fee of \$20.00 will be charged for each loan payment skipped.



It's Not Too Late... To Contribute To Your IRA For The 2003 Tax Year

You can make contributions until Thursday, April 15, 2004 for the 2003 tax year. But, just to make sure your paperwork is completed, you should plan on opening your IRA by April 13, 2004.

If you already have a traditional IRA, you might want to consider a Roth IRA. It allows an annual contribution of up to \$3,000 into a qualified plan (deposit either a lump sum or throughout the year). Earnings accumulate tax-free, but contributions are not tax deductible. Also, early withdrawals are permitted for special circumstances, such as the first purchase of a home. For those who qualify, the Roth IRA can be a great savings tool. Please consult your tax advisor for information on which type of IRA is best for you.

For additional information on credit union IRA programs, visit or contact your member service representative.



E-Statements Are Now Available

You can now enjoy the convenience of obtaining your MCFCU statement via home banking rather than receiving a paper statement by mail. With E-Statements, you'll have faster access to your account information (usually on or before the 3rd of each month).

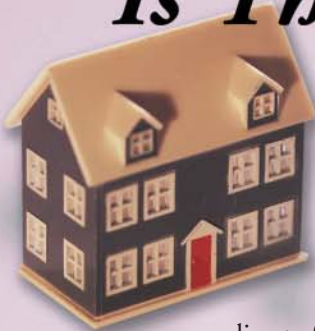
Request your E-Statement through Online Banking, our home banking program. You will be able to view and retrieve your statement as long as your request is made at least 30 business days prior to a statement closing date. Requests made after that time will be effective the following month.

MCFCU utilizes state-of-the-art technology to ensure that your statement information is maintained with the highest possible privacy and protection measures available.

Sign up for E-Statements today! Visit our web site at www.mcfcu.net, and sign up for E-Statements through home banking. If you would like additional information about this new service, call or stop by the credit union and our staff will be happy to assist you.



Is The Mortgage Bonanza Over?



It was just a few short months ago that it was not uncommon to hear mortgage borrowers complaining that their loans were taking too long to process and close. In most cases, this was not because the mortgage lenders had suddenly lost their skills, but was a

direct effect of the unprecedented volume of loans flooding the market. Thousands upon thousands of astute homeowners and home buyers came out of the woodwork over the past several months to take advantage of rates at 50-year lows to either buy a home or to refinance their present homes at great long-term savings.

Now, it seems the word on the street is that while this year's main focus for consumers was on the opportunity to refinance existing mortgage loans at these bargain-basement rates, the market is now poised for a booming purchase market. While the uncertainty of the general economy encouraged refinance transactions, it also discouraged the sales of new and existing homes.

So, if consumer confidence is beginning to increase, and potential buyers are becoming more comfortable with the prospect of moving forward with their home purchase transaction, what

will they face with current mortgage rates? Did they wait too long to get a great rate?

Apparently not. As this article is being written, more than two months after the end of the "Mortgage Boom Of 2003," rates for 30 and 15-year fixed rate mortgage loans are still lower than they were when that boom started about a year ago, and in general, have hovered below 5.50% and 5.25% respectively. Of course, that fact makes it a great time to move forward with a purchase, since with rates still very low, most people will qualify for more house than they would if rates were higher.

Adjustable loan rates are even lower, with some under 3.00%.

The short story is this: if you think it's time to consider buying or building a new home, there may never be a more perfect opportunity to do so under such perfect conditions. The inventory of homes for sale is huge, lending itself to lower sale prices, and the cost of financing is very reasonable. Our advice? Start shopping! And when you find the perfect spot at the right price, call Clay Burke, your credit union's mortgage representative for his free advice on how best to structure your financing. He'll make sure you stay financially fit! 800-945-4506 is where you can reach him.

MCFCU Holiday Loan Application

To apply, complete sections 1 and 2 and return this application to your credit union office. We'll process your request right away. Apply soon because this offer ends January 31, 2004.

TRUTH-IN-LENDING DISCLOSURE

\$1,000.00

ANNUAL PERCENTAGE RATE: **6.99%**
 (The cost of your credit as a yearly rate.)
Amount Financed: \$ 1,000.00
 (Amount borrowed)
TOTAL FINANCE CHARGE:* \$ 38.77
 (The dollar amount the credit will cost you.)
Total of Payments:* \$ 1,038.77
 (The amount you will have paid after you have made all payments as scheduled.)
12 Monthly Payments:* \$ 86.57

\$1,500.00

ANNUAL PERCENTAGE RATE: **6.99%**
 (The cost of your credit as a yearly rate.)
Amount Financed: \$ 1,500.00
 (Amount borrowed)
TOTAL FINANCE CHARGE:* \$ 112.52
 (The dollar amount the credit will cost you.)
Total of Payments:* \$ 1,612.52
 (The amount you will have paid after you have made all payments as scheduled.)
24 Monthly Payments:* \$ 67.19

\$2,500.00

ANNUAL PERCENTAGE RATE: **6.99%**
 (The cost of your credit as a yearly rate.)
Amount Financed: \$ 2,500.00
 (Amount borrowed)
TOTAL FINANCE CHARGE:* \$ 280.12
 (The dollar amount the credit will cost you.)
Total of Payments:* \$ 2,780.12
 (The amount you will have paid after you have made all payments as scheduled.)
36 Monthly Payments:* \$ 77.23

If your payment is 11 days or more late, you may be charged 20% of the interest due. You are giving a security interest in your credit union accounts in accordance with the "Pledge of Savings" on the reverse side. For additional information, refer to the Note. Asterisk (*) means estimate.

Finance charge may vary with loan date, and your last payment may be less than previous payments. Approval is subject to our normal credit standards and criteria, and you must apply by January 31, 2004 to qualify for the MCFCU Holiday Loan.

INCOME VERIFICATION: MCFCU may require income verification for all loans.

Credit Union Use Only Loan Approved Loan Denied
 Loan Officer _____ Date _____
 Comments _____
 D/I Ratio: _____ Note Mailed _____ by _____

1

MCFCU Account # _____

Name _____

Spouse's Name _____

Address _____

City _____ State _____ Zip _____

() ()

Home Phone # _____ Work Phone # _____

\$ _____ \$ _____ \$ _____
 Mortgage/Rent Monthly Payment Checking Balance Savings Balance

Social Security Number _____ Date of Birth _____

Employer _____

Position _____ Monthly Salary (Gross) \$ _____ Years There _____

Previous Employer _____ Years There _____

Amount you wish to borrow:

\$1,000.00 \$1,500.00 \$2,500.00

Purpose of the loan: _____

Deposit the funds into my:

Checking Savings Mail a check

How do you wish to repay your loan?

Transfer from checking Transfer from savings
 By mail or in person

2

By signing below, I (we) apply to Michigan Columbus Federal Credit Union for a Holiday Loan and agree to be bound by the terms outlined under Note on the reverse side. I (We) authorize MCFCU to request and obtain all credit and employment information necessary to process this application.

X _____
 Applicant's Signature Date

X _____
 Spouse's Signature (if applicable) Date

The Credit Union reserves the right to request additional information, if necessary. First-time borrowers are required to complete additional applications. Call the Loan Department for details. This loan cannot be used to pay on existing loans at MCFCU.

Apply Today!



Michigan Columbus
 FEDERAL CREDIT UNION

MCFCU HOLIDAY LOAN NOTE

You promise to pay the Credit Union the principal amount plus interest on the unpaid balance according to the payment schedule and rate listed on the reverse side. The rest of the terms and conditions of this Note are listed herein. You also pledge your account in the Credit Union in accordance with the "Pledge of Savings." However, if payments on this loan are up-to-date, Borrower(s) can withdraw shares and/or deposits in excess of the outstanding amount.

- A. Prepayment: You can repay all or any part of this loan at any time without penalty.
- B. If a payment is 11 days or more late, you may be charged 20% of the interest due.
- C. Default: You are in default if you fail to make a payment on this loan on time. You are also in default under this Note if you are in default under the "Security Agreement" (if applicable) or under any security agreement or real estate mortgage securing this loan.
- D. Acceleration: If you are in default, any part of this loan then unpaid and any other amounts you owe under the "Security Agreement" if applicable or under any other security agreement or real estate mortgage securing this loan are due and payable in full without notice to you (unless such a mortgage provides otherwise), at the Credit Union's option.
- E. Waiver of Security: The Credit Union waives any security for this loan or for any refinancing of all or part of this loan or for any sum owing under any security agreement or real estate mortgage securing this loan, other than the security

granted by the "Pledge of Savings" in paragraph G, by any security agreement or real estate mortgage securing this loan and security provided by statute.

- F. Completing Note: You authorize the Credit Union to complete this Note in any necessary respect if it is executed while incomplete.
- G. Pledge of Savings: As security for all amounts owing under this Note and under any security agreement and/or real estate mortgage securing this loan, you pledge all shares and/or deposits (including earnings and additions) you now or in the future have in this Credit Union, but only up to the total of such amounts unpaid from time to time. If you default, you authorize the Credit Union to apply such shares and/or deposits to payment of these amounts. This pledge does not apply to shares and/or deposits in an Individual Retirement Account (IRA) Keogh Plan. Regardless of this pledge, if payments on this loan are up-to-date, Borrower(s) can withdraw shares and/or deposits to the extent indicated on this form.
- H. Insurance Eligibility: A Debtor or Co-Debtor is eligible for insurance hereunder provided he or she is not over the Maximum Age specified in the Schedule for the coverage applied for on each Loan Date. In addition, for disability insurance, the Debtor must be actively and physically present at work in an occupation or employment for wages or profit on a full-time basis for at least 30 hours per week for a period of not less than fourteen days immediately prior to the Effective Date of this certificate. The Co-Debtor is not eligible for disability insurance.



Notice Of Privacy Practices from MCFCU Important Information About The Personal Data Your Credit Union Collects, And How It Is Used

To assure the continued privacy and confidentiality of your personal financial information, your credit union observes these practices and procedures:

Information We Collect

We collect non-public information about you from some or all of the following sources:

- Information we receive from you on applications or other forms;
- Information about your transactions with us, our affiliates, or others; and,
- Information we receive from a consumer reporting agency.

Information We Disclose

We do not disclose any non-public personal information about our members and former members to affiliates or non-affiliated third parties except as permitted by law.

Our Security Measures

We restrict access to non-public information about you to those employees who need to know that information to provide products or services to you. We maintain physical, electronic and procedural safeguards that comply with Federal regulations to guard your non-public personal information.

This notification meets the notification requirements of the National Credit Union Administration regulation on privacy of consumer information, Part 716.

Annual Meeting

Sunday, April 18, 2004
George F. Monaghan
Knights of Columbus
19801 Farmington Rd.
Livonia, MI
Meeting: 2:00 p.m.
Dinner & Refreshments

Holiday Closings

Martin Luther King, Jr. Day
Monday, January 19, 2004

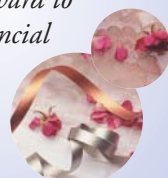
Presidents' Day
Monday, February 16, 2004

Good Friday
April 9, 2004
(Closing at 12 noon)



Happy New Year!

All of us at Michigan Columbus Federal Credit Union join in wishing you and your family a very happy and prosperous New Year. We look forward to meeting your financial needs throughout 2004 and many years to come.



Michigan Columbus
FEDERAL CREDIT UNION

30419 W. Six Mile Road
Livonia, MI 48152
(734)425-5080
Fax: (734)425-1181
(800)452-5094
E-Mail: memberservices@mcfcu.net
Web Site: www.mcfcu.net

OFFICE HOURS

Monday: 9:30 a.m. – 5:30 p.m.
Tuesday, Wednesday &
Thursday: 9:30 a.m. – 5:00 p.m.
Friday: 9:30 a.m. – 6:30 p.m.
Closed Saturday & Sunday

MANAGEMENT

David Busdeker, President
Barb Bennett, Vice President

BOARD OF DIRECTORS

Frank Sheridan, Chairman
Jim Molloy, Vice Chairman
Patrick Casey, Treasurer
Pat Kinney, Secretary
Frank Urban, Director
Larry Vendal, Director
John P. O'Brien, Director

