

The Lease is Up--Should You Buy the Car?

Your auto lease gives you a right to buy the vehicle for a fixed price at the end of the lease. But should you? If you have less than three months remaining on a lease, now's the time to decide. So, find your lease and read on.

- Do you like the car? If it's performed well with a minimum of unexpected cost and repair, then it might be good to renew the lease.
- Will it still fit your needs? If you're driving a 2-door sports coupe but are expecting a baby, you probably need a new car.
- What is your lease-end buying price? You'll find the purchase option price in your lease. Let's assume it's \$14,000.
- What is your vehicle actually worth? Check websites such as Kelley Blue Book (kbb.com) and Edmunds.com

Let's assume your highest wholesale value is \$15,000.

How does your vehicle's wholesale value compare with its lease value? If it's higher than the lease value, then it's a good deal. In our example, your lease says you can buy for \$14,000. You've confirmed wholesale value is \$15,000. You're buying a car you know and like for \$1,000 less than its wholesale value. Buy the car.

What if the wholesale value is less than the lease value? If it's a lot less, don't buy the car. It doesn't make sense to buy the car if your lease's buy-out price is \$14,000, and the car's wholesale value is only \$11,000.

What's the bottom line? If your lease car is a good friend, and you can buy it for no more than \$1,000 over wholesale value, that's a smart buy. Your next smart decision is to finance it at San Tan Credit Union. We have competitive auto rates, with payments to fit any budget.



It Pays To Be Prepared

Smart drivers are choosing MEMBER'S CHOICE® Mechanical Repair Coverage. It helps protect you against many of the costly repairs no longer covered by your vehicle's manufacturer's warranty.

Ask us about a quote on your new or used vehicle. We can even add the cost of your coverage to your existing auto loan with STCU.

Four Signs You Need to Clean Up Your Finances

It's easy to see when your house needs cleaning: clothes are on the floor; dirty dishes are stacked in the sink. But it may be a little harder to know when to "tidy up" your finances. Here are a few signs:

1. **You're living paycheck to paycheck.** If you barely make ends meet at the end of the month, it's time to buy yourself some wiggle room for unexpected events. Start by cutting back on at least one major expense and putting that money into an emergency fund. The goal of an emergency fund is to be able to cover a three-month period of unemployment. At a minimum. Consider downsizing to a smaller home or apartment, going from a two-car household to one, or commuting by bus or bike. Getting a side gig is another way to boost your emergency funding.
2. **You're not saving for retirement.** According to Northwestern Mutual's 2018 study, 21% of Americans have not saved for their retirement. If you're one of those people, it's time to start. Your goal should be to save 15% or more of your monthly income for your retirement. If you're not used to saving, going from 0 to 15% might

be hard. So, start small and simply set aside \$50 each month. Increase that amount when you get a raise or get a better handle on your expenses.

3. **You're carrying credit card debt.** There is good debt—mortgages for homes and loans for education—but there is also bad debt. Credit card debt is the worst kind of debt you can have, and the longer you carry it, the more money you end up losing in interest. If you're up to your chin in credit card debt, maybe it's time to create a budget and move to a cash-only system until your debt is under control.
4. **You don't have a budget in place.** Do you follow a budget? Many Americans don't, even though it's probably the most effective way to manage money. Without a budget in place, you'll have a hard time seeing where your money is going, where you're overspending, and where you can make changes.

If any of these signs apply to you, it's time to clean up and learn how to manage your money. You'll be thankful in the long run.



San Tan CU lobby hours:

Monday, Tuesday,

Wednesday, Thursday:

10 a.m. to 5 p.m.

Friday: 10 a.m. to 6 p.m.



2018 Upcoming Holidays

Labor Day

Monday September 3—closed.

Columbus Day

Monday October 3—closed.

Veterans Day

Monday November 12—closed.



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Wire Transfer Instructions:

Receiver Depository Institution:

Catalyst Corporate FCU

ABA/Routing & Transit # 311990511

Beneficiary Financial Institution:

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Beneficiary

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and backed by the full faith and credit of the United States Government

NCUA

National Credit Union Administration, a U.S. Government Agency