Making it out on your own.
Life after graduation on your own

You’re all grown up, graduated and ready to go – to move out of your parents’ house, to buy your first car, to spend, spend, and spend. You landed your first job. The paychecks are beginning to roll in. Before you go and get yourself in financial trouble, it is a good idea to do a bit of planning. The first step is setting up a budget. The next step is establishing credit. Once these are in place, you’ll be set.

Budgeting

Now is the time to take your wants and needs more seriously. There are many things that we actually need to survive, and then there are those things that we would like to have. This is the age old debate between needs and wants. Budgeting means determining how much available income you have versus the amount of bills you have. You have to strike a balance so that your input is more than your output.

- **Make your budget flexible** - Make sure to leave room in your budget for those unexpected expenses. They will happen, that’s a given, however, the amount is not. Money saved for car repairs and emergencies can save you.

- **Keep your budget simple** - Creating a budget you can understand is half the battle. The easier it is to follow, the easier it will be to continue using, and the more successful it will be.
Be honest with yourself - Try to make an accurate reading of expenses in each area of your budget.

Keep records accurate - At some point you will have to take a look at your records over the past few months to determine where you are at with your expenses. Do your best to keep every receipt. This will only make things easier a few months down the road. Getting a folder or box to keep them in is easy and convenient.

Pay yourself first - When you see where you can cut or reduce money, make sure you move the extra money somewhere else. A savings plan is a good idea, and an effective place to keep money for future expenses. We offer a variety of savings options such as Supplemental Savings and a Money Management Account in addition to certificates. With our certificate accounts, you can plan for a 3-month term or a longer term up to 60-months. We also offer Holiday Clubs and Vacation Clubs that you can use to save for special spending times of the year. You may also want to consider talking to our Investment Services representatives to learn what you can do now to ensure a financially secure retirement later in life.

Save money - Limit your trips out to restaurants, and when you do arrive there, don’t order the most expensive thing. Make a list before you go to the grocery store so you are not picking up extra items when you’re there.

Paying off loans - As a recent college graduate, you are likely focused on landing your first job. Finding a place to live and settling into the real world. You are probably beginning to pay off that student loan as well.

Be proactive - Find out what kind of loans you have, what your total debt is, where they are held, and who you must pay.

Make payments on time - Paying your loan on time each month will help you establish good credit. Your total interest that accrues on the loan will also decrease with accurate payments.
Make payments affordable - Shop for the best benefits you can find. Choose the best program for your situation.

Establishing Credit

Here are many different ways to build a good credit history and a few ways you could hurt it. Even if you have never made a major purchase, there are steps you can take to begin building your credit.

Do:

- Open a checking/savings account, or acquire a debit card. These alone will not help your credit but they will indicate that you have money and you can manage it. Our VISA® Debit Card offers a monthly cash-back rebate with qualifying transactions.
- Apply for a major credit card. Use it responsibly and pay those credit card bills back on time. We offer several options with our VISA® Credit Card. It’s all about making the choice that’s right for you.
- Apply for a small loan or line of credit.
- If you share housing and utilities, make sure a few of those bills are in your name and pay it on time.
- If you have a student loan, be sure to make regular, on-time payments.
- Co-sign with a person who has established good credit. Once the co-signing has occurred, simply make your payments on-time. In time you will have established a credit history.
Don’t:

■ Avoid missing payments on bills or loans. Even late payments count against you. If you can’t make a full payment, make some kind of payment.

■ Don’t let other people use your credit card accounts. You are responsible for your account no matter who uses the card.

■ Don’t overdraw your accounts. You will be charged fees, and you can damage your credit record.

Buying a car

■ We offer a First Time Car Buyers program to college, nursing school and trade school graduates and to qualifying graduate level students. To qualify:

■ You may not have had a vehicle previously financed.

■ You must be employed or have verifiable offer of employment with a salary sufficient to cover ordinary expenses and your loan payment.

■ You may not have any derogatory credit history.

We’ll give you up to 90 days to make your first payment when you get your loan directly from us by applying online with EZ Loan, by phone or at a branch. If you apply for your Members 1st loan directly at the dealership through our On the Spot Loan program and we’ll give you up to 45 days to make your first payment.

You are eligible for our First Time Buyers Program if you are within 30-days prior to graduation or we’ll give you up to 6-months after graduation from a four-year degree program; two-year associate’s degree program, junior college, community college, nursing school or trade school. Graduate students are eligible while enrolled in grad school if there is proof of adequate income. No down payment required.
Repaying your school loans

Within just a few months of college graduation, it’s time to repay those student loans. Ask us how we can help you consolidate your loans into one convenient payment.

Renting a place to live

- Be sure to plan your living expenses budget. Things to consider are rent, renter’s insurance, electric, water, trash, cable, phone and Internet service. You also need to think about furnishings, security deposits, long term lease options and short term lease options.
- Read and understand your lease and its terms.
- Do not sign a lease without visiting your apartment. When visiting, look and touch everything. Be sure to flush toilets, run all the water faucets, check the carpet, the windows, screens, heating, and air conditioning. Check all kitchen and laundry appliances as well.
- Find out what the pet policy is and have a clear understanding of maintenance policies and who pays for what.
- For apartment needs, consider a Members 1st VISA® Credit Card, Signature Loan or Personal Line of Credit to help with set up expenses. You build your credit and don’t have to pay high department store credit card interest rates.
- Refer to our buying vs. renting brochure, “What’s the best bang for your buck?”
Buying a Home

You may not be able to purchase your first home right out of college, but if that is something you see yourself doing down the road, keep the following in mind:

- We hold free Home Buyers Seminars and Home Construction Loan Seminars that can help you learn all about the home buying or home construction process.
- We offer a First Time Home Buyers program that provides you with affordable financing with minimal out-of-pocket expense. First time home buyers can benefit from our relationship with the Pennsylvania Housing Finance Agency (PHFA).
- When looking for your home, use the Internet. With just a few clicks you can see hundreds of online listings, view virtual tours, and sort through dozens of photographs.
- Avoid viewing too many houses in a day. It will be tough to remember specific details about certain houses.
- A motivated buyer should be able to find a place within two weeks of beginning to look at houses that are on the market.
- Go back and take a second look at the houses that you liked the best.
- Bring a digital camera and take photos of the house along with the house number in order to separate them.
- Take notes on unusual features, colors, and designs.
- Pay attention to the home’s surroundings. This includes neighbors, houses, stores, restaurants, traffic, and other distinctions of the houses location.
- Immediately after leaving, rate each home on a scale from 1 to 10.
- When you find the perfect home buy it! Don’t wait and shop around like you do at the mall.
- Refer to our buying vs. renting brochure, “What’s the best bang for your buck?”
Free Seminars

We offer many free seminars throughout the year on topics such as buying a home, applying for financial aid and home construction loans. Visit www.members1st.org and click “events calendar” in the news section on our home page for more information.

For questions about financing your first car, call (800) 283-2328, ext. 6040

For questions about refinancing your student loans, call (800) 283-2328, ext. 6017

For questions about buying your first home, call (800) 283-2328, ext. 6026

For general loan questions, call (800) 283-2328, ext. 6040

For information about renter’s insurance, auto insurance, home owner’s insurance and more, call (800) 283-2328, ext. 5218 or 5245

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www.members1st.org

We do business in accordance with the Federal Fair Housing Law and Equal Credit Opportunity Act.