



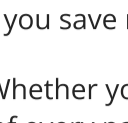
Federal Credit Union

MoneyMatters

VOLUME 34 • NUMBER 2 • SPRING 2025



A Message From the CEO



Dear Members,

At H-E-B Federal Credit Union, our mission is simple: to support you in reaching your financial goals. As an exclusive benefit for H-E-B Partners and their families, we are committed to providing personalized financial solutions that help you save more, borrow wisely and plan for a secure future.

No two financial journeys are the same. Whether you're saving for a dream vacation, buying a home, tackling debt or simply making the most of every paycheck, H-E-B FCU is here to support you every step of the way.

We understand that financial well-being isn't one-size-fits-all, and neither is our approach – because **Better Banking Starts Here**. That's why we offer tailored solutions, including low-rate loans, high-yield savings options and financial education resources, all designed to help you achieve your goals with confidence.

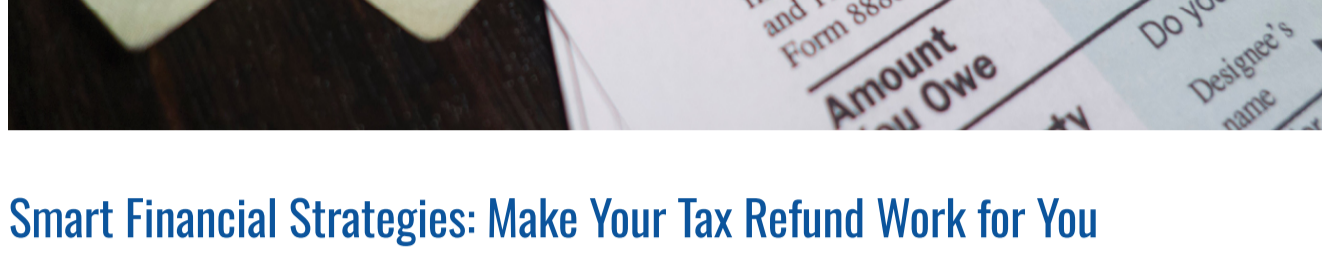
Our goal is simple: to meet you where you are and provide practical solutions that make managing your money easier.

No matter where your financial journey takes you, H-E-B FCU is here to help. **Better Banking Starts Here**. Let's navigate the road ahead together. Visit our website or reach out to our team to learn how we can support you.

Warmest regards,

Don R. Ford

CEO, H-E-B Federal Credit Union



Smart Financial Strategies: Make Your Tax Refund Work for You



Tax season is a golden opportunity to boost your financial future. Whether your refund is big or small, making smart financial choices can help you achieve long-term success. Instead of spending it on short-term purchases, consider these strategic ways to maximize your refund and build a stronger financial foundation.

Prioritize High-Yield Savings

One of the best ways to maximize your tax refund is by depositing it into a high-yield, secure investment, such as the H-E-B FCU Power Saver Share Certificate. With an impressive 3.99% APY* for 4 months, your money earns significantly more than it would in a traditional savings account. Instead of letting your refund sit idle, put it to work through the power of compound interest.

Smart Tip: Share Certificates offer higher interest rates and guaranteed growth without market risk, making them a safer and more rewarding option than traditional savings accounts.

Build or Strengthen Your Emergency Fund

An emergency savings account is your financial safety net against unexpected expenses like medical bills, car repairs or job loss. Experts recommend keeping at least three to six months' worth of expenses in an easily accessible H-E-B FCU Money Market or savings account

Smart Tip: Keep your emergency fund in an H-E-B FCU Money Market account to avoid spending temptation and ensure it's available when needed.

Pay Down High-Interest Debt

If you have credit card debt or high-interest loans, using your tax refund to reduce your balances can save you money on interest and improve your financial stability. Lowering your debt also boosts your credit score and frees up more of your income for future financial goals.

Smart Tip: Use the avalanche method – pay off the debt with the highest interest rate first to minimize the total interest you'll pay over time.

Invest in Your Future

Rather than spending your tax refund on temporary expenses, put it toward long-term financial growth. Whether you're saving, investing, paying off debt or securing an H-E-B FCU Power Saver Share Certificate for even greater returns, the smart choices you make today will benefit you for years to come.

Call H-E-B FCU at (210) 938-7850 to explore the best savings and investment opportunities!

*The H-E-B FCU Power Saver Share Certificate promotion runs from January 3, 2025 - April 30, 2025. Share certificates opened outside this timeframe will not qualify for the promotional rate. This special offer features a 3.99% Annual Percentage Yield (APY) for a four-month term, with a minimum deposit requirement of \$500 in new funds not currently held at H-E-B FCU. A minimum deposit of \$500 is required to open an H-E-B FCU Power Saver Share Certificate. The dividend rate and APY will be determined based on the rate in effect at the time of deposit. Unless otherwise stated, dividend rates are fixed. The stated APY assumes dividends remain on deposit until maturity; withdrawing dividends before maturity will reduce earnings.

Money Market Account requires a minimum balance of \$5,000. Dividend rates and APY are subject to change daily without notice at the discretion of the H-E-B FCU Board of Directors. Fees may reduce earnings on the account. Early withdrawals may result in a penalty. Deposits are insured up to \$250,000 by the National Credit Union Administration (NCUA), a U.S. government agency. Membership eligibility is required. For the most up-to-date rates, APY or additional details, please contact an H-E-B FCU representative or call Member Services at (210) 938-7850.



Lower Rates, Faster Payoff: Why a 6-Year Mortgage with Amortization Is a Smart Choice

When financing a home, most buyers immediately think of the traditional 30-year mortgage for its lower monthly payments. However, a 6-year mortgage with a 25-year amortization offers a **better balance of affordability, lower interest rates and faster homeownership**.

This option provides a fixed-rate period for 6 years, during which payments are based on a 25-year amortization schedule. That means homeowners **pay down their loan faster**, build more equity and **save significantly on interest costs** – without the high monthly payments of a 15-year mortgage.

Why Choose a 6-Year Mortgage with Amortization?

One of the biggest advantages of a 6-year mortgage is the **lower interest rate** compared to a 30-year loan.

- **Lenders offer lower rates** due to the shorter fixed term and reduced risk.
- Even a **0.5% to 1% lower rate** can save **thousands in interest** over time.
- **Lower** your payment goes toward principal, helping you own your home sooner.

Faster Equity Building

A 25-year amortization schedule means homeowners **build equity at a much faster rate** than with a 30-year mortgage.

- **More of each payment goes toward principal earlier in the loan term.**
- With faster equity growth, homeowners gain **financial flexibility** for refinancing, borrowing or selling at a strong return.
- Ideal for those planning to **move or refinance within 6-10 years**, ensuring greater wealth accumulation.

Ideal for Short-Term Homeowners & Young Professionals

A 6-year mortgage with a 25-year amortization is perfect for:

- **Young professionals and growing families** expecting **income growth** and planning to refinance or upgrade in a few years.
- **Short-term homeowners** who plan to **sell within 6-10 years** and want to **avoid long-term loan commitments** while benefiting from lower rates.

Refinancing and Exit Strategies

At the end of the 6-year period, homeowners have multiple options:

- **Refinance into a long-term fixed mortgage** if rates remain favorable.
- **Pay down a large portion of the loan** with accumulated equity.
- **Sell the home** if life circumstances change, maximizing returns from faster equity growth.

Since this mortgage is **amortized over 25 years**, the **remaining balance after 6 years** is **lower** than it would be with a 30-year loan, making refinancing easier and more affordable.

Lower Lifetime Interest Costs

Even if homeowners **refinance after the 6-year period**, they **still benefit** from lower initial rates and faster principal reduction. Over time, this can result in **thousands of dollars saved** in total interest costs.

For example, compare the total interest paid on a **\$300,000 mortgage** at different terms:

Mortgage Type	Total Paid in 6 Years	Interest Paid in 6 Years	Savings in First 6 Years
30-Year Fixed (7.00%)	\$143,705.34	\$106,252.68	–
6-Year w/25-Year Amort (5.99%)	\$139,037.10	\$101,584.43	\$4,668.24

The **6-year mortgage with a 25-year amortization** significantly reduces interest costs without the burden of a high 30-year mortgage payment. For the right buyers, a **6-year mortgage with a 25-year amortization** can be the perfect balance between affordability, flexibility and long-term savings.

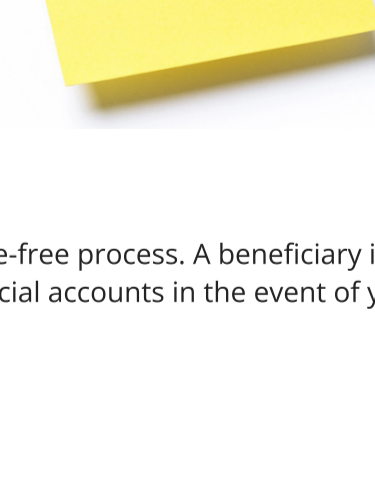
Ready to explore your mortgage options? Call H-E-B FCU at (210) 938-7850 today!

Loan products, terms and conditions are subject to credit approval, and the availability of a 6-year mortgage with a 25-year amortization may vary based on applicant eligibility, financial qualifications and lender discretion. Interest rates provided are for illustrative purposes only and not an offer to lend. All rates are subject to change without notice. Actual rates, payment amounts and potential savings depend on individual credit profiles, loan amounts and prevailing market conditions at the time of application. While lower interest rates can lead to significant savings, they do not guarantee overall financial benefits if refinancing, prepayment or other adjustments occur. The 6-year mortgage follows a 25-year amortization schedule, meaning monthly payments are lower than those of a 15-year loan, while still allowing for faster principal reduction compared to a traditional 30-year mortgage. However, at the end of the 6-year term, borrowers must either refinance, pay off the remaining balance or secure alternative financing. While this mortgage structure enables faster principal reduction, refinancing options remain subject to future creditworthiness, lender policies and prevailing interest rates. Estimated interest savings and cost comparisons provided are for informational purposes only and do not constitute a guarantee of future savings. All mortgage loans are subject to federal, state and local lending regulations, and H-E-B FCU membership is required to apply. For detailed information regarding loan terms, refinancing strategies and financial planning, contact H-E-B FCU at (210) 938-7850 to explore your mortgage options. Mortgage loans require 20% equity. Your actual annual percentage rate may be different, as many factors affect the final APR. Nationwide Mortgage Licensing System #402440

Better Banking Begins Here – explore your mortgage options today!

Tax Time: The Perfect Opportunity to Update Your Beneficiaries

Tax season is a natural time to review your financial health, making it the perfect annual reminder to check and update your beneficiaries. Life events such as marriage, divorce, having children or even changes in financial planning can impact who should inherit your assets. Yet many people forget to update their beneficiaries, which can lead to complications, delays or even unintended recipients receiving their assets.



Why Updating Beneficiaries Is Important

Updating your beneficiaries with H-E-B FCU is a simple and hassle-free process. A beneficiary is the person (or entity) you designate to receive funds from your financial accounts in the event of your passing, including:

- **Retirement accounts (401(k), IRA, pension plans)**
- **Life insurance policies**
- **Bank accounts and Share Certificates**
- **Investment and brokerage accounts**

What can happen if you don't update your beneficiaries?

- **Assets going to an unintended person (such as an ex-spouse)**
- **Delays and legal challenges in distributing your assets**
- **Family disputes over who should receive your funds**
- **Higher taxes or loss of inheritance benefits for your loved ones**

By regularly reviewing and updating your beneficiaries – especially during tax season when financial records are already top of mind – you can ensure your accounts reflect your current preferences and financial goals.

Call **(210) 938-7850** to update your records or visit an **H-E-B FCU branch** for personalized assistance.

Make tax season the reason you update your beneficiaries – review your beneficiaries today!

Holiday Closings:

- Monday, May 26**
Memorial Day
- Thursday, June 19**
Juneteenth
- Friday, July 4**
Independence Day

Stay Connected:

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Phone **210-938-7850** • Fax 210-938-7869

Text **210-938-7850**

Text Keywords **210-938-7860**

Email **members@hefcu.org**

Schedule an Appointment

Text and email support available Monday – Friday from 9 a.m. – 5 p.m.
Online, Mobile and Text Message Banking at: **hefcu.org**

Mobile app available in the App Store® and Google Play™

Branch Location:

4630 N. Loop 1604 W., Suite 101, San Antonio, TX 78249
Lobby: Monday – Friday, 9 a.m. – 5 p.m.

CO-OP® Shared Branches

Privacy Notice

Federal law requires us to tell you how we collect, share and protect your personal information. Our privacy policy changed May 2021, and you may review our policy and practices with respect to your personal information [here](#) or we will mail you a free copy upon request if you call us at [210-938-7850](tel:210-938-7850).