



Are you in need of cash?

Do you want to consolidate your debts?

Are you receiving home equity loan or refinancing offers that seem too good to be true?

Does your home need repairs that contractors tell you can be easily financed?

If you are a homeowner who needs money to pay bills or for home repairs, you may think a home equity loan is the answer. But not all loans and lenders are the same—you should shop around. The cost of doing business with high-cost lenders can be excessive and, sometimes, downright abusive. For example, certain lenders—often called “predatory lenders”—target homeowners who have low incomes or credit problems or

who are elderly by deceiving them about loan terms or giving them loans they cannot afford to repay.

Do Your Homework

Contact several lenders—and be very careful about dealing with a lender who just appears at your door, calls you, or sends you mail. Ask friends and family for recommendations of lenders. Be wary of home repair contractors that offer to arrange financing. You should still talk with other lenders to make sure you get the best deal.

Comparison shop. Comparing loan plans can help you get a better deal. Whether you begin your shopping by reading ads in your local newspapers, searching on the Internet, or looking in the phone book, ask lenders to explain the best loan plans they have for you. Beware of loan terms and conditions that may mean higher costs for you. Get answers to these questions:

Interest Rate and Payments – What are the monthly payments? What is the annual percentage rate (APR) on the loan? Will the interest rate change during the life of the loan?

Term of Loan – How many years will you have to repay the loan? Is this a loan or a line of credit? Is there a balloon payment?

Points and Fees – What will you have to pay in points and fees? Are any of the application fees refundable if you don't get the loan? How and how much will the lender be paid?

Penalties – What is the penalty for late or missed payments? What is the penalty if you pay off or refinance the loan early?

Credit Insurance – Does the loan package include optional credit insurance, such as credit life, disability, or unemployment insurance? Credit insurance may be a bad deal for you, especially if the premiums are collected up-front at the closing and financed as part of the loan.

After you have answers to these questions, start negotiating with more than one lender. Don't be afraid to make lenders compete for your business by letting them know you are shopping for the best deal. Ask each lender to lower the points, fees, or interest rate. And ask each to meet—or beat—the terms of the other lenders.

Each summer Midwest Community offers discount tickets for area attractions, and this year is no exception! We will have discount tickets starting in May for Cedar Point, Kings Island, Six Flags and The Toledo Zoo.

FYI / New Dealer Processing Fee

The credit union has implemented a \$75 processing fee for all loans closed at an auto dealership. This is due to increased costs associated with the processing of dealer applications. Below is a comparison of how our dealer fees compare with our competitors:

	Processing Fee	VSI Fee	Total Fees
F&M	\$225	\$25	\$250
5/3	\$175	\$ 0	\$175
Community First	\$150	\$20	\$170
Sky	\$150	\$ 0	\$150
State Bank	\$125	\$15	\$140
Sherwood State	\$125	\$12	\$137
First Federal	\$ 75	\$40	\$115
Key	\$ 99	\$ 0	\$ 99
Midwest Community	\$ 75	\$18	\$ 93

Midwest Community
Federal Credit Union

Your Lifetime Banking Partner

Main Office

08770 State Route 66
Defiance, OH 43512
Phone: (419) 783-6500
Fax: (419) 783-6550

Hours - Lobby

Mon - Wed: 9:00 am - 5:30 pm
Thur - Fri: 9:00 am - 6:00 pm
Sat: 9:00 am - 2:00 pm

Hours - Drive-up

Mon - Wed: 9:00 am - 6:00 pm
Thur - Fri: 9:00 am - 6:30 pm
Sat: 9:00 am - 2:00 pm

ATM Access Available

Deerwood Branch

1481 Deerwood Drive
Defiance, OH 43512
Phone: (419) 782-9856
Fax: (419) 784-3561

Hours - Lobby

Mon - Wed: 7:30 am - 4:30 pm
Thur: 6:30 am - 4:30 pm
Fri: 7:30 am - 4:30 pm

Hours - Drive-up

Mon - Wed: 8:00 am - 4:30 pm
Thur: 7:30 am - 5:00 pm
Fri: 7:00 am - 4:30 pm

ATM Access Available

Napoleon Chief Branch

1247 N. Scott St.
Napoleon, OH 43545
Phone: (419) 599-5522
Fax: (419) 599-5537

Hours

Mon - Fri: 9:00 am - 6:00 pm
Sat: 9:00 am - 2:00 pm
Sun: 11:00 am - 3:00 pm

ATM Access Available



Federally Insured By The NCUA

Midwest Community

Spring 2004

CONNECTION

A Quarterly Publication For Members Of Midwest Community Federal Credit Union

We're All About...

HOME EQUITY LOANS



TELL ME MORE!

YES, I want to know more about the following loans from Midwest Community Federal Credit Union. (Check the appropriate box(es):

- Home Equity Loans
- Automobile Loans
- Home Improvement Loans
- Recreational Vehicle Loans
- Mortgages
- VISA Classic or Gold Credit Card
- Signature Loans

Name _____

Address _____

City _____

State _____ Zip _____

Home Phone () _____

Work Phone () _____



Mail this reply card, fax it, or stop by the credit union today!

P.O. Box 608 • Defiance, OH 43512
www.midwestcommunity.org

Whether you're looking forward to a family vacation or family wedding, a new car or new boat, sending a child off to college or building on for a new addition to the family -

For all you do...
this loan's for you!

4.00%* Rate / 4.00%* APR
Variable

*Annual Percentage Rate (APR) effective March 15, 2004 and subject to credit approval.

Rates and terms are subject to change without notice.

PRESIDENT'S LETTER

Two Thousand Three was a pivotal year for Midwest Community Federal Credit Union. It was a year of change – new faces, a new name, a new building, and a new mission of service and commitment to our members. It has been a year of hard hitting reality, and a year of newfound hope. Most of all 2003 was a year of coming together and working hard to continue in the direction we need to move.

The changes that took place in 2003 for MCFCU seemed overwhelming at the time. Literally every staff position at the credit union was reclassified at the beginning of the year. Mass-training took place the first three months to get people ready for new Member Service Representative and Financial Service Representative positions. The staff worked hard to make MCFCU's mission – *Building Trusted Lifelong Financial Relationships* – a reality for you, our members.

Our name became Midwest Community at the beginning of 2003 to represent our six-county community charter. While the change was necessary to reflect our expanded credit union community, we continue to value our original core sponsor, General Motors Powertrain. They are our history, our heart and our soul. But to survive we need to be the community's credit union, too. Board, staff and members chose a name that we all felt most appropriately expressed our expanded charter.

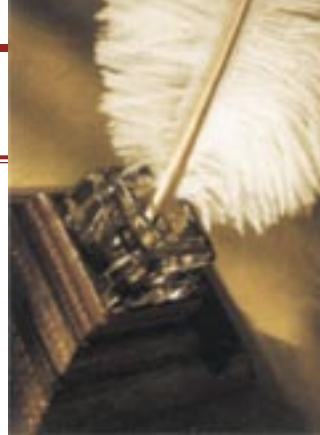
April 2003 saw the memorable grand opening of our new main office, and October brought the rededication of our Deerwood office. Both projects were necessary, but huge, undertakings. The results have been well worth the effort. Compliments on both offices continue to pour in to this day from both members and non-members alike. Midwest Community is now ready to face a future of growth and individual service with these wonderful facilities.

Not all the changes we encountered in 2003 were as positive as we had hoped. The rate environment in the U.S. has been at an all-time low for almost two years now. With mortgage rates at lows never seen before the credit unions mortgage program buckled under the huge volume of purchases and refinances that took place in 2003. Auto lending everywhere has suffered at the hands of the Big 3's zero percent financing deals. The end result is that MCFCU lost loan volume in 2003 for the first time in over 12 years.

Earnings declined in 2003 for the first time in years as Midwest Community suffered a \$137,000 loss. The low rate environment has been continually squeezing net interest margin the last two years leaving less to cover operating costs. At the same time, salary and benefit costs remained significantly higher than industry standard due to our organized staff. Combined, these factors led to the resulting loss.

So we begin 2004 wiser, more battle-hardened, and more comfortable with change. As an organization we have drawn together to make MCFCU a better credit union; we are rededicated to our members and their financial health, and to restoring our own economic wellbeing. We appreciate the fourteen thousand members who have stood behind us the past year as they continue to work toward lifelong financial goals. We would not be here if it were not for your support. We also want to remember all the members, staff, management, Committee members and Board members who dedicated their hard work and time last year and in years past to make Midwest Community the great credit cooperative it is today.

Sonja Hann
President/CEO



Pictured, L to R: Barry Shaner, Toledo Area Community C.U., Paula Saunders, Sun F.C.U., Paul Gilmore, U.S. House of Representative, William Hann, ProMedica F.C.U., Sonja Hann, Midwest Community F.C.U., Kathy Canipe, Parish F.C.U.

Ohio Government Affairs Conference Attendees Receive Pledges of Support From U.S. Reps

CUNA Government Affairs Conference attendees representing Ohio credit unions met with several state and national lawmakers. Ohio credit union officials visited the offices of 18 of the 20 members of the Ohio congressional delegation and personally met with U.S. Representatives John Boehner, Sherrod Brown, Bob Ney, Mike Oxley, Ted Strickland, Stephanie Tubbs Jones, Steve

Chabot and Steve LaTourette. The GAC, which took place on Capitol Hill, featured appearances by U.S. Representatives Ted Strickland, Marcy Kaptur, and Stephanie Tubbs Jones. Each pledged their support for credit unions and each was asked to consider sponsorship of H.R. 3579, the Credit Union Regulatory Improvement Act.

**Midwest
Community**
Federal Credit Union
Your Lifetime Banking Partner

We Are All About... CONVENIENCE

**Midwest Community
offers 24/7 Convenience**

- View checks on line
- On line Banking
- Bill Payer
- ATM & Debit Cards
- Automated Voice Response
- Payroll Deduction & Direct Deposit
- On line check reorders

"Reap the Rewards"
Sign Up for a
Checking Account, Direct Deposit and Online Home Banking
and receive your choice of:

.25% Off A Loan <small>(consumer loan only)</small>	.25% added to a 12 Month or + Certificate of Deposit	\$25 Reimbursement on your Internet bill
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Must present coupon to receive rewards. Offer expires 10/1/04
www.midwestcommunity.org

2004 FREE CREDIT COUNSELING CLASSES

**Wednesday,
March 31, 2004
6:30 p.m. - 8 p.m.**

Making Budgeting Interesting, Part I

**Wednesday,
April 7, 2004
6:30 p.m. - 8 p.m.**

Making Budgeting Interesting, Part II

*Reading Credit Reports
& Credit Repair*

Please bring a calculator
to each session.

Registration is required. Space is limited.

Please contact your credit union, or
Consumer Credit Counseling Service
Telephone: (419) 227-9202 (Pam)
Fax: (419) 229-3761
E-mail: hughesv@bizwoh.rr.com

All classes are conveniently scheduled on
Wednesdays from 6:30 p.m. to 8 p.m. at the
Apollo Career Center's Adult Ed Resource
Center, 3325 Shawnee Rd. in Lima.

YOUTH SCHOLARSHIPS

Louis Westrick Memorial Scholarship

In memory of a Midwest Community founding father, the Louis E. Westrick Memorial Scholarship fund offers two \$500.00 scholarships each year to high school seniors who plan to continue their education. Applications are available at all Credit Union locations. Please return your completed application to any MCFCU office by May 30, 2004.

Cash for College Scholarship

Western Buckeye Chapter of Credit Unions - Cash for College

The Western Buckeye Chapter of Credit Unions and T-102 have joined in partnership to offer "Cash for College". This is a chance for area juniors and seniors to win much needed financial support as they make the transition into higher education. Pick up an application at any Midwest Community location. Win one of 8 \$500 scholarships. The awards will be presented Friday, May 14, 2004 during the T-102 morning show.

National Credit Union Youth Week is April 18-24, 2004

Midwest Community Federal Credit Union has contacted high schools in our six-county community charter area to administer Jump\$tart Coalition's National Financial Literacy test to their senior students. The multiple-choice test can easily be administered in one class period requiring little intrusion into students' and teachers' busy schedules. MCFCU will award four \$500 scholarships to the top-scoring seniors. Local and national test score results will be distributed to participating schools. Please contact Leslie at 419-783-6516 or Stacy at 419-783-6520 at MCFCU if you are interested in participating in this exciting opportunity.

