

spring 2012

profile

assets \$168,958,915

loans \$146,002,254

savings \$152,924,866

of members 13,490

1-year GIC 1.50%*

1-year mortgage 2.99%*

*Rates subject to change without notice.



BORROWING 101:

Be house proud,
not house poor.

Learn how borrowing
wisely can help you
live more comfortably.

READY TO GO? The strategy seems straightforward – don't borrow more than you can afford. Unfortunately, many people get swept up in their pre-approved mortgage amount and look for the best house their money can buy, rather than the amount they can comfortably afford. Realistically, your housing costs including your mortgage should not consume more than 30% of your total income.

Our Mortgage Specialists look at your entire financial picture, factoring in your household and living expenses, financial obligations, and even your short- and long-term goals, so we can help you come up with your best mortgage solution. We can even show you how to be mortgage-free faster with unique products like our **5-Year Accelerator Mortgage** at **2.85%** (APR)**.

ROOM TO GROW? If you love the home you have but feel like you could use a bit more space, a home renovation might be the right solution for you. More and more people are turning to renovations to improve their pre-loved spaces and as an affordable alternative to moving. Using the equity you have built in your home is a great way to start making some changes.

Upgrades to your kitchen, for example, offer one of the highest returns on your investment and the best part is there are great options for any budget. A \$5,000 IKEA kitchen can be just as impressive as a \$40,000 custom kitchen done by a contractor. The cost of borrowing with a **Comtech Equity Line of Credit** is just **5.00%** (APR)** and once you're approved, the funds are always there when you need them.

MORE VALUE, BIGGER DIFFERENCES We've been helping our members purchase new homes, secure lower rates and renovate their homes for over 70 years. Find out the Comtech difference when it comes to saving you money on your borrowing needs.

- Outstanding prepayment options: up to 30% of original principle balance each calendar year
- Doubling up monthly payments • Optional terms from 6 months to 5 years
- Expert advice • Credit Life, Accident & Sickness, and Title insurance available

We work with you to ensure you're house proud, not house poor. Come in or call **1.800.209.7444** or simply apply online at **comtechcu.com**.

*Rates subject to change. Details in branch. Annual Percentage Rates (APRs) of 2.99% and 3.49% are based on payments of principal and interest calculated semi-annually not in advance assuming there are no other costs of borrowing other than the interest rate. **Annual Percentage Rates (APRs) of 2.85% and 5.00% are based on interest being calculated monthly and assume no other costs of borrowing other than interest.

REACHING HIGHER FOR OUR MEMBERS

This past year we drew strength from our numbers – both in the growth of our membership and in our fiscal success. Success that we can pass on to our members in the form of lower borrowing rates, higher returns on investments and greater enrichment in the products we offer and the service we deliver.

Our highlights from 2011

- Assets increased by 1% and contributed to the year-end balance sheet totalling \$167.3 million
- Total deposits equalled \$151.4 million
- Registered savings plans grew by 5%
- Loans grew by \$6.6 million or 5% ending at \$146 million
- Commercial loans rose from \$13.9 million to \$19.7 million
- Residential mortgages increased by 6%, totalling \$99.2 million
- Class B, Series 1 and 2 dividends were paid to participating members at a rate of 5.55% and 4.44% respectively

Our forecast for 2012

- We are a participating co-operative in the UN's Year of the Co-operative
- Our Member Referral Program will continue to be a primary focus for growing membership and rewarding existing members for their service
- Branch development and the growth of our mobile kiosks will better serve the needs of our growing membership
- We plan to reach out to new employer groups in Toronto and Ottawa for member generation
- Social media avenues such as Twitter and Facebook will be used to create real-time opportunities to connect with members about our latest offerings, events and more
- Enhanced security features including chip-enabled cards are well underway
- Extended branch and Care Centre hours are taking place to better serve member needs starting in April

Look for the full 2011 Annual Report under "About Us" on our website at **comtechcu.com**.

our roots

Our Foundation is Rooted in our Service

Comtech Mortgages Beat the Banks

When it came to buying his first home, Peter Andrews* thought finding the mortgage product for him would be an easy task. After all, he works for one of the big five banks so it would seem unlikely for him to go elsewhere for his financial needs. Like any wise consumer, however, Peter wanted to do a bit of research to ensure he was getting the best deal. "I shopped around for some time," he describes. "Comtech offered one of the best rates around and some unique options too."

Choosing the **Accelerator Mortgage** at a low, variable rate was the right fit for Peter. "The rate initially drew me in, however it was the flexibility of the product, the payment schedule and the idea of paying down my mortgage faster that really sealed the deal."

With the **Accelerator Mortgage** Peter can benefit from the current low rate environment and still have the security of locking-in to a fixed rate at anytime. "The process was really smooth," Peter says. "I simply submitted my application online and Comtech contacted me to finalize everything." Using the quick and convenient online application, Peter was able to provide us with his information when it was convenient for him. Then we contacted him to answer any questions he had and walk him through the home-buying process with ease.

"The staff was very friendly and helpful from day one," Peter shares. "They made the whole experience smooth and pleasant." We were happy to provide Peter with the tools and guidance he needed to purchase his first home, and even happier that he came to us for his mortgage needs.

*Member name has been changed to protect his identity.

If you have a Comtech story you would like to share, please send it to: **Sheila Bradt, Comtech Credit Union, 102 – 220 Yonge Street, Toronto, ON, M5B 2H1 or e-mail bradt@comtechcu.com.**



Invest on your own terms

For those of you who would like a little more control over your investments, we have the perfect solution for you. **Qtrade Investor** – Canada's leading independent online brokerage, voted "the best online broker" by *The Globe and Mail* for six years running, is our trusted partner for online investing and should be yours too.

Here are some of the benefits you'll enjoy with Qtrade Investor:

- Lower fees and commissions every time you buy or sell
- Complete range of stocks, options and fixed income securities
- Unmatched customer service and support
- Access to research, news, real-time quotes, watch lists and more
- Easy electronic funds transfers to/from your chequing account

Making the leap to do-it-yourself investing should be convenient and comfortable. We'll help you get the start you need and be here to offer you support along the way. Check out upcoming Wealth Management Seminar, "The Financial Plan – How It Pays Off" (dates above) and let us show you how taking control of your own investments can work for you.

Call Peter Mendonca at **416.598.1197 ext. 2201** to RSVP for an upcoming seminar or visit us in branch or online at **comtechcu.com** to learn more about online investing.

Online brokerage services are offered through Qtrade Investor. Securities and securities related financial planning services are offered through Qtrade Advisor. Qtrade Investor and Qtrade Advisor are divisions of Qtrade Securities Inc., Member of the Canadian Investor Protection Fund.

TORONTO BRANCH

Thursday, April 26th
Thursday, May 17th
Noon & 6:00 pm
Comtech Board Room 102
220 Yonge Street, Toronto

MISSISSAUGA BRANCH

Tuesday, May 15th
12:00 pm & 1:00 pm
East Tower –
Conference Room
5099 Creekbank,
Mississauga

FIRST-TIME HOME BUYING 101: Be in the know before you go.

Did you know there is much more to buying a home than the purchase price? Appraisal fee, home inspection cost, property survey, legal fees, land transfer tax, moving costs.

Then there are the costs associated with owning a home such as property tax, hydro, water and heat to name a few. Plus your living expenses – cable, Internet, phone, groceries, gas, car loans, existing credit cards, entertainment...well, you get the idea. We're not trying to overwhelm you or scare you out of home ownership by any means. We simply want you to be prepared for your new life so you can enjoy it to the fullest. No one wants to put everything they have into a mortgage payment only to find out they can't afford the lifestyle they want as well.



Our Mortgage Specialists can help you see the numbers more clearly. We'll match you with the best rate, term and payment plan. Plus, walk you through options like the Home Buyer's Plan and the First-time Home Buyer's Tax Credit. Talk to us today about your goals of home ownership and gain the knowledge you need to start house hunting with confidence. Come in, call **1.800.209.7444** or apply online at **comtechcu.com**.

My brother wants to start a small business and asked me to co-sign on a \$30,000 loan. If his business goes south, am I responsible for the loan payment until the loan is paid off? – Jeff

First we need to clarify the difference between a "Co-signer" and a "Guarantor". If you're a Co-signer you're benefiting from the loan. If you're the Guarantor, you're not personally benefiting but promise to repay the loan in full with interest. If your brother becomes seriously ill, dies or defaults on his payments, it will impact your credit rating if you're unable to make the payments. The lender can also garnish your wages, and your brother's outstanding loan will be taken into consideration as part of your overall debt – potentially limiting your future borrowing power. Before signing as a Guarantor, seek legal advice or ask the lender for a copy of your obligations and responsibilities before you sign on the dotted line.

