

# expanding Horizons

## Should You Remodel or Sell Your Home?

You've probably seen or heard of the popular HGTV television show "Love It or List It." Two hosts work with people to remodel their existing home and also look for a new home that better fits their needs. At the end of the show, the homeowners are asked whether they will stay in their newly renovated home ("Love It") or sell their home and purchase a new one ("List It").

The problem with shows like these is that they never detail the actual costs associated with these decisions. As a result, big decisions like whether to remodel or sell your home can become clouded with unrealistic expectations.

If you're a homeowner and are considering whether to remodel your existing home or to buy a new home, there are a few items you need to take into consideration.

### What You Don't Learn About

At the end of the show when the property owners are faced with the decision to "Love It" or "List It", there is a quick review of the financial implications of each option. However, there is very little information on what goes into the figures they show you. Here are a few things they aren't factoring into the staying or buying decision:

- **Remodel Cost:** To perform the type and size of renovations seen on these shows, most people will use a Home Equity Loan. The show never provides information on the interest rates, closing costs, or other expenses associated with the loan to do the remodel.
- **New Home Cost:** There are several expenses the homeowners will incur if they 1) sell their existing home and 2) purchase a new home. These include closing costs, a down payment (on the new home), mortgage-related expenses, and more. All these large expenses are conveniently left out of the figures on these shows.
- **Time:** No information is ever provided about how long it will take to sell their current home.
- **Long-Term Effect:** If the homeowners decide to stay in the remodeled home, how much will the monthly payment be on their Home Equity Loan? How does that factor into their budget long-term?

Considering all of this, it's hard to see what you may actually end up paying with these two decisions. As a result, it's

important to not take this show or other shows like it as reality.

### Work with a Realtor First

If you're facing the decision of whether to remodel your existing home or move into a new one, your first step should be to speak to an experienced realtor.

- Ask them to estimate the current sale price of your home, without any renovations.
- Then, ask them how the renovations you're planning on doing could affect the estimate. It's important to note that some improvements may add very little to the overall value of your home, while others can add significant value.
- Lastly, if you're considering moving homes, find out from your realtor what homes are selling for in the area and how easy it would be to find something within your budget.

### When is it Ideal to Use a Home Equity Loan?

- **Building Equity:** Using the equity in your home to generate even more equity is an excellent idea. Homeowners often accomplish this through home renovations. Whether repairs or remodels, using your existing equity to improve your living space and add more value to your home can be a win-win.
- **Financing Tools:** Another popular way homeowners use their home's equity is to finance projects, events, or improve their financial situation. These lower-rate loans provide affordable solutions for just about any cause, including:
  - o Debt Consolidation
  - o Milestone Events (e.g., a wedding)
  - o Medical Expenses
  - o Higher Education
  - o Financial Lifeline

However, you must use these funds responsibly. While it can be tempting to use some funds to jet off to a tropical paradise for a few weeks, it's probably not worth risking your home.

**(Continued on Page 3)**



## A Message from the CEO

With the Easter season over and April upon us, this time of year signifies that another spring has arrived. Personally, it marks another milestone – the conclusion of my first year at Patriot. As I have said in previous letters, I am impressed with the staff that makes up Team Patriot, our members, and the community.

As I've become fond of saying "it's been as advertised, only better!" I have found folks to be very supportive and welcoming in my interactions - thank you!

In just a few short months this year, our teams have been quite busy focusing on improving member experience with additional features and greater convenience to support the financial needs of individuals, families, and organizations. For example, on February 13, we unveiled a new look to our website with enhanced user-friendly navigation across all devices, a more modern design, and improved accessibility for visually impaired community members using assisted technology. Additionally, the site can accommodate Spanish speaking members - a growing population throughout our market area.

In addition to the Spanish version of our website to better serve our diverse communities, we added interpretation and translation resources to assist our staff in serving individuals. Whether they are immigrants from eastern Europe, Asia, or South America, Central America and the Caribbean islands, these resources enable us to better communicate with members who may not speak English or speak English well, as well as to serve deaf or hearing-impaired individuals versed in American Sign Language. In a short time, we have engaged with members and prospective members in Spanish, Haitian-Creole, Portuguese, and Russian over 200 times using these resources.

Other initiatives that are planned for 2024 include enhancements to our online and mobile banking including new security features, and tools and information to help our members better protect themselves from fraud. As we introduce and expand services that members regularly utilize, we feel it is also prudent to look at sunseting services and channels whose time may have come and gone.

After nearly 47 years, we determined that it was time to close the credit union's initial branch location, located on Overcash Drive near Letterkenny Army Depot. Member utilization of the Letterkenny Branch had steadily declined over the past several years. This slower activity, coupled with an aging building that was in dire need of significant repairs and costly upgrades, and a lease that was set to expire in early 2025, led us to determine that the credit union's resources would be better invested in other areas to benefit the membership at large. This location is

a significant part of our history and has served as a springboard for the credit union's growth. With all of the memories that this location has created, closing this branch is certainly bittersweet.

While the branch is closing, we plan to continue to serve the Depot workforce and area residents with a new drive-up ATM located on Coffey Avenue near Opportunity Avenue. We have received local municipal approval for the site and are hopeful that the new ATM will be operational by the end of 2024. (For more on the legacy of the Letterkenny Branch, turn to Page 4)

Let me now turn our attention to the state of our economy and interest rates. It may be too early for a thorough economic recap of the first quarter of 2024, but for the first time in four years Americans say the country isn't in or heading toward a recession according to a recent poll. We have seen a flattening of the higher interest rates from late 2023. The Federal Reserve's plan to temper inflation and avoid a recession appears to be leading toward a soft landing. That said, the inverted yield curve has not yet returned to a more normal pattern, continuing to make it difficult for borrowers to fit a much larger monthly payment into their budget for a new car or home. As an alternative, many homeowners are staying put, resulting in fewer homes on the market, and drivers are holding onto vehicles longer. Likewise, inflation (which remains over 3%) and credit card debt (nationwide at an all-time high) are contributing to financial challenges for many family budgets impacted by higher costs of goods and services.

Even though US consumer sentiment appears to be improving, and we too remain optimistic, there remains concerns about higher prices on gas and consumer goods, economic problems in other countries, and political turmoil and conflicts throughout the world. And finally, we don't need to be reminded that it is a presidential election year.

Our focus is to be here for you when you need financial services and solutions, in the good times and the challenging ones. Patriot can't be all things to everyone, but we strive to offer options and financial alternatives to meet the needs of individuals, families, businesses, and organizations throughout our field of membership. The financial well-being of YOU, our members, is Priority #1.

In closing, I want to thank you for allowing us to serve you and earn your trust and confidence. I also appreciate your patience and understanding as we make improvements and changes to better serve your needs now and in the future. If we fail to meet your expectations, please give us the opportunity to address it. And if we exceed your expectations, consider telling your friends and family about Patriot – we would greatly appreciate it.

Ron Celaschi  
CEO - Patriot Federal Credit Union

## Shred Day: Get rid of clutter and help protect your identity!

Join us at our Wayne Avenue branch on June 1st for our "Shred Day." This event is a great opportunity to securely dispose of personal documents such as old bills, credit union statements, and other documents containing personal information to reduce clutter and help protect your identity.

Please limit the amount of paper you bring for shredding to four boxes. No plastic, binder clips, cardboard, or 3-ring binders, please.

**When:** Saturday, June 1st – 8:00 am - Noon

**Where:** Wayne Avenue Branch – 800 Wayne Avenue, Chambersburg

We'll also be collecting non-perishable food items to help stock local food pantries.



## Should You Remodel or Sell Your Home?

(Continued)

### The Decision to Remodel

If you have decided to remodel your current home, it's important to get multiple estimates from reputable, licensed companies or contractors in your area. Oftentimes a realtor can provide referrals for companies their clients have used before.

Once you receive the cost estimates, add a little extra to the estimate to cover any unexpected expenses. If you have watched "Love It or List It" before, you know that these unexpected costs always seem to come up along the way.

### We're Here to Help!

Whether you're looking to remodel your home or purchase a new one, we have the home loan options you need. If you're considering a remodel, a home equity loan or HELOC might be the perfect solution. For new home purchases, our Home Loan Experts will help you find which mortgage option will work best for your specific goals and financial situation.

Your home is one of the largest financial investments you'll ever make. We're here to help you understand your financial options and make the best decision for you. Stop by any branch location or give us a call at 888-777-9982 to learn about all our home loan options.

## UPDATE

Effective May 1, 2024, Patriot will discontinue sending notices to members regarding Courtesy Pay and Non-Sufficient Funds. Members are encouraged to monitor account balances in Online Banking and Mobile Banking.

**Here's a useful tip:** set-up alerts in Online Banking to be notified by email or text in real time when your checking balance falls below a set amount. This alert will enable you to address any account issues sooner. There's no waiting for the mail to arrive, often several days after your account balance has fallen below \$0.

For example, if you establish an alert on your checking at \$100 you will receive an email or text letting you know that your balance has fallen below that amount when it occurs. Here's a link to a helpful video that shows how it can easily be done: [www.patriotfcu.org/security-education/videos/#alertsionlinebanking](http://www.patriotfcu.org/security-education/videos/#alertsionlinebanking)



Love My  
Credit Union  
rewards

AmTel powered by

T-Mobile

# IT'S A BIG DEAL

## Limited Time Offer

### Credit Union Members



Make the switch and **save BIG** with T-Mobile. As a member, you have access to a dedicated call center to help you make switching easy.

SCAN QR CODE TO MAKE THE SWITCH  
or call 877-520-1160

## Save Big! Score Big with T-Mobile!

Members can switch and save BIG with T-Mobile.

Switching has never been easier. Don't miss out on these benefits tailored just for credit union members:

**Bilingual Support.** Spanish speaking Mobile Experts are also available.

**Call 877-520-1160** today or visit [CUmobile.lovemycrreditunion.org](http://CUmobile.lovemycrreditunion.org).

## Money Market Dividend Changes

Effective April 1, 2024, dividends on the Credit Union Insured Money Market Accounts (CUIMMA) will be paid monthly instead of weekly. This change will only impact the frequency on which dividends are paid and not the overall return to our members. In addition, the dividend rate and annual percentage yield (APY) for Money Market Accounts will be subject to change at any time as determined by the Board of Directors, which is an adjustment from the current disclosure which indicates they may change weekly.

# A Walk Down Memory Lane: The Letterkenny Legacy

Patriot Federal Credit Union's Letterkenny branch is steeped in the history of the credit union. When the credit union was granted a charter and opened for membership in January 1965 as Letterkenny Federal Credit Union, there was no branch building. Volunteers gave up their lunch hours to "staff" the credit union for the then 32 members at a desk located on the depot.



As membership grew over the first ten years, it was decided that a physical branch was needed to better serve members. And with that, ground for the first branch was broken in 1975. The Letterkenny Army Depot Branch fittingly opened during July 1976 - as our country celebrated its bi-centennial year.

The Letterkenny Branch served as the only branch location for the credit union until 1980, when the Fort Ritchie, Maryland branch was added following the merger with Fort Ritchie Federal Credit Union. A year later, the Federal Street Branch in Chambersburg opened, enhancing accessibility and convenience to members.



During this period, Letterkenny Army Depot had the distinction of being the top employer in the county. Membership at the time was limited to employees and family members of the depot and other businesses, known as Select Employee Groups (SEGs). In 1991, to better serve the community and provide a financial services alternative to banks, the credit union transitioned to a community charter and changed its name to Patriot Federal Credit Union, in tribute to the depot's work on the Patriot Missile Program, which was vital to the success in the Gulf War.

As a community-chartered credit union, Patriot could serve individuals and families who lived, worked, worshipped, or attended school in Franklin, Fulton, or Washington County (MD), or the Borough of Shippensburg. Businesses and other legal entities located within the same geographic boundaries were also eligible for membership. At the time, Patriot was the largest not-for-profit financial cooperative located in the Franklin/Fulton/Washington County area - a distinction that remains today.

Today, membership is open to anyone who lives, works, worships, attends school or regularly conducts business in Franklin County (PA), Washington or Frederick County (MD), and the Eastern Panhandle of West Virginia - Berkeley, Jefferson, or Morgan Counties, including businesses and organizations.

In 1995, the US Army began a series of base realignments and closures, resulting in the transformation of military infrastructure by consolidating, realigning, and repurposing facilities to save Defense dollars. Recommendations from the Federal Base Realignment and Closure Commission (BRAC) led to full or partial closure of over 100 military installations scattered across the country, including a realignment at Letterkenny, resulting in the loss of over 2,000 jobs and a shock to Franklin County's economy. Today, the depot has over 1600 employees.

Over the past decade, utilization of Patriot's Letterkenny Branch began to wane as members transitioned to using other channels, like online and mobile banking, to manage their finances or conducting in-person transactions at other more convenient Patriot locations. Given these trends and other variables, as well as the resources necessary to upgrade the aging facility, it was determined that the Letterkenny Branch would close at the end of June 2024, prior to the conclusion of the lease with the US Government.

The Letterkenny Branch has had a profound impact on the growth of the credit union and was foundational for where it is today. Like other branches in Patriot's history, its past has provided positive memories for staff and members, and it will be missed.

For more on Patriot's history, visit our website [www.patriotfcu.org/about-patriot/](http://www.patriotfcu.org/about-patriot/)