SHARONVIEW®
FEDERAL CREDIT UNION

VIEWPOINT

A Newsletter for Members of
Sharonview Federal Credit Union
January 2018

In This Issue:

CEO's Corner...

2017 was another year of growth for Sharonview, particularly when it comes to our branch locations. We relocated our Spartanburg, Florence and South Boulevard branches, opened a new branch location in the University area of Charlotte, and remodeled the Wilmington Branch.

As we look to 2018, we have more branch plans on the horizon. We will open a new location in the RedStone shopping center in Indian Land, SC. We will relocate branches in Charlotte, NC, Fayetteville, NC and Simpsonville, SC.

Our goal is to meet our members where they are, making our locations more convenient and accessible.

We are proud of how much we have accomplished in 2017, and we certainly could not have done it without our members. We sincerely appreciate your patience during our new builds and relocations.

Thank you for choosing Sharonview to be your financial partner.

Regards, *Bill*

Follow Bill on Twitter, @billwpartin, to receive his take on relevant financial topics!
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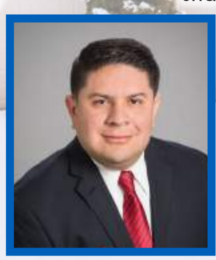

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Trust Our Team To Serve Your Mortgage Needs Today!

How To Save For A Down Payment

The tallest hurdle to buying your first home will be saving for the down payment. As a young adult, saving this much money may seem impossible — like climbing a mountain. When you climb a mountain, it looks huge from afar. But if you take one step, then another, pretty soon you've reached the top, and the view is great.

Figure Out How Much You Need To Save

No matter the amount you have to save, approach it as a challenge. First, figure out exactly how much house you can really afford with the help of a home loan calculator (use the Rent vs. Buy calculator on the Sharonview website). The calculator uses your inputs (income, expenses, debt) along with local tax data to recommend how much home you can afford — and how much of a down payment you'll need.

Figure Out What You Spend Now

If you don't know exactly what your monthly expenses are, track all your spending for a month and analyze it to see where you can cut back. Think realistically about what you can sacrifice each month to reach your savings goal.

Cut Out The Small Stuff

By now you've probably heard you should skip the daily latte and brown-bag your lunch, but those are savings cliches for a reason: They really do add up. Something else that can add up: using coupons for your grocery shopping. Get familiar with the BOGO (buy one, get one) days at your local stores. With smartphone apps, you no longer need to clip and save paper coupons to present at checkout. To save money on entertainment, rent movies through a subscription service such as Netflix or, even better, check out movies from your library. Libraries also frequently offer lectures, book groups and kids' programs. Look for other free community events at your local parks and take advantage of free-admission days at museums.

Find A High-Yield Savings Account

Earning as much interest as possible will help ignite your savings. You can find high-yield savings accounts at Internet banks, credit unions or community banks. When you open the account, add an automatic withdrawal from your paycheck so you won't be tempted to spend money earmarked for the down-payment fund.

Sell What You Don't Need

You might want to declutter before you move into your first home, so why not start by selling stuff you don't want or need? If your neighborhood puts on a community garage sale, join in. Or sell your unwanted stuff on eBay, Craigslist or via a Facebook "virtual garage sale" page for your area.

Enlist Family And Friends

No, don't ask your friends to give you money. Instead, let them know that saving for the down payment is your No. 1 priority. If your friends want to go out for dinner, suggest you get together for homemade pizza or a potluck at home. Chances are you'll have a much more memorable evening.

The Bottom Line

Saving for a down payment can seem like a high mountain to climb, but if you look at it as a challenge, it can also be fun. And just imagine the feeling of accomplishment when you're relaxing someday in a home of your own.

Branch Locations:

Simpsonville
1027 South Street, Simpsonville SC, 29681

Greenville West-End
712 S. Main Street Ste. A, Greenville SC, 29601

Wade Hampton
1324 W. Wade Hampton Blvd., Greer SC, 29650

Spartanburg
1855 E. Main St. Ste. 7, Spartanburg, SC 29307

Florence
1921 W. Palmetto St., Florence, SC 29501

Fayetteville
1828-A Owen Dr., Fayetteville NC 28304

Wilmington
3212 Oleander Dr., Wilmington, NC 28403

Bladen County
16616 US 87W, Tar Heel, NC 28392

Carmel
7422 Carmel Exec. Pk. Ste. 100, Charlotte , NC 28392

Steele Creek
13900 South Lakes Dr. Ste. N Charlotte, NC 28273

Park Rd.
4418 Park Rd., Charlotte, NC 28209

StoneCrest
7918 Rea Rd. J1A, Charlotte, NC 28277

Gaston
2508 E Franklin Blvd., Gastonia, NC 28056

Shelby
725 E Dixon Blvd., Shelby NC 28152

Salisbury
501 N. Main St., Salisbury, NC 28144

University
8944 JM Keynes Dr., Ste. 320, Charlotte, NC 28262

Bridgewater
55 Corp. Dr. Bldg. A Fl. 2, Bridgewater, NJ 08807

Coming Soon

Steele Creek- Spring 2018
RedStone- Spring 2018
Fayetteville - Summer 2018
Simpsonville - Summer 2018

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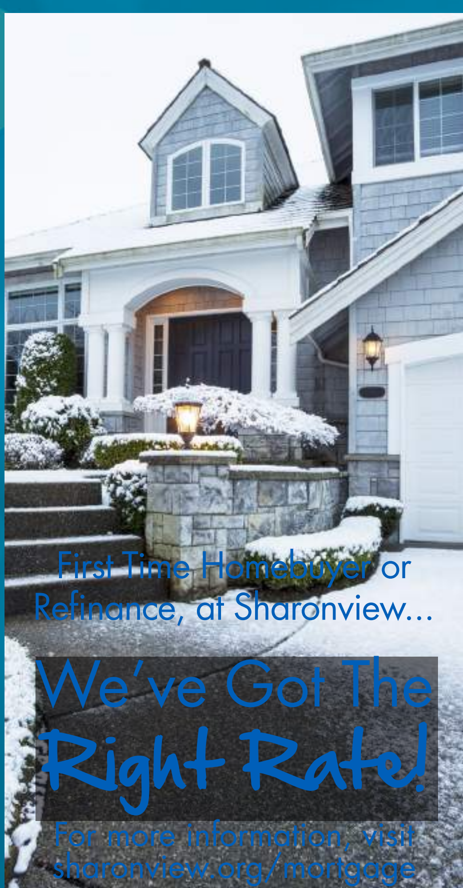

Florence And Park Road Are Now Open!

We are excited about the progress we have made in creating a more modern feel to our branches. This year we relocated two existing branches to new locations in order to better serve our members. We are pleased to announce our new **Florence branch** opened November 13, 2017 led by Alger Holloman. **Park Road**, formerly South Blvd, opened December 4, 2017 led by Jonathan Thomas.

"Our team in Florence looks forward to building new and maintaining current relationships with our members in the area. This new location will allow for even more growth of our current Sharonview family while providing financial services in the Florence community."
 - Alger Holloman, Branch Manager

"My team and I are thrilled to be in the Montford Park area. Our new branch features a tech table, state-of-the-art technology, and an experienced staff to help you with all your needs from opening a savings account to purchasing a home."
- Jonathan Thomas, Branch Manager

sharonview.org

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FINANCIAL SERVICES
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Add Housing Decisions to Your List of Retirement Priorities

Where and how you choose to live out your retirement years could be one of your most important decisions. Choosing whether to relocate or to stay rooted in your hometown, to remain in your current home or to trade down to a smaller residence are important questions that involve a host of lifestyle and cost-of-living issues.

Making a Move

Selling your existing home and relocating to a more affordable house or condominium may be a reasonable option if you have considerable home equity and the shift won't negatively affect your lifestyle. To help sort through your own lifestyle preferences, make a list of your values – those things that are important and meaningful in your life – and then determine what are your highest priorities. It is those elements that you'll want to incorporate into your retirement lifestyle choices.

- Proximity to children/grandchildren – If you value family and friends above all else, then proximity to your loved ones likely will be a key factor in your location decision.
- Availability of health care -- If fitness and good health are things you value strongly, then you'll want to live in an area where quality health care and a variety of recreational activities are available.
- Small town vs. city living -- Do you prefer the sense of community you get from living in a small town or rural area or does the hustle- and bustle of city life with its cultural opportunities, restaurants, shopping, and public transportation better fit your style?
- Climate – Although weather is no longer the prime consideration for today's retirees, it does play a role in the location decision process. Some people may yearn for year-round sunshine, while others enjoy experiencing the richness of a four-season climate.

Ideally you should consider these and other lifestyle factors before you examine the financial implications of your location decision.

Financial Considerations

The cost of living is a big factor to consider when researching a retirement location -- particularly for retirees who rely on a fixed monthly income. When researching new locations, remember to investigate the overall housing costs in the desired area. For example, real estate values and property taxes typically vary considerably by locale. Be sure to check the rates for property taxes as well as income and sales taxes and compare them to where you currently live. You may be surprised to discover that states with no income taxes – such as the traditional retirement haven of Florida – often make up the difference with higher property and sales taxes.

Decision Time

Deciding on retirement living arrangements involves a host of issues that you will need to weigh carefully. In making the decision, give yourself plenty of time and do as much research as possible.

Stay in your current home. If your lifestyle needs will best be met by staying put, consider the financial implications of that decision. For instance, if the mortgage on your home is paid off, your housing expenses will probably be much lower than you'd find in a different living arrangement. Since you may be in this house for another 20 years or more, consider investing in some home improvements, such as insulation, a second bathroom or even converting a large single-family home into a two-family home for rental income.

Sell your home. This decision depends greatly on whether you need to raise money from the sale of your home. If your expected income from Social Security, pensions and other sources falls short of your requirements, then you probably have little choice but to tap your home equity. Selling your house may provide enough cash to defray your new housing costs and potentially provide additional funds to use as you please. Note that married couples can exclude up to $500,000 in capital gains from the sale of a primary residence (single homeowners can exclude $250,000)[1]. This rule can be beneficial for retirees who own highly appreciated residential property, as long as they have owned and used the home as a primary residence for at least two out of the last five years.

Choose a new home. If you decide to relocate, or if you stay in the same location but sell your home, you will need to decide what type of replacement housing is best suited to your needs. Should you buy a single-family home? Rent an apartment? Buy a condominium? Buy into a retirement community? These and a growing array of options are available to today's retiree. Shop around and compare features and costs against your personal requirements and budget.

In the end, no matter where you choose to live--from Maine to Montana, in a house or an RV-- home is where the heart is, and where you feel most content and comfortable.

Source/Disclaimer:
1"Excluding the Gain" https://www.irs.gov/publications/p17/ch15.html

Stay in **control** of your **401(k) options.**

Call to schedule a free, no-obligation consultation with Dwayne, Chuck, or Alex to discuss your options!

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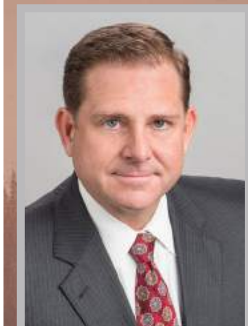

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We can help you reach your financial goals!

Sharonview offers a variety of financial workshops:

- Steps to Financial Freedom, Foundations
- Understanding Your Debt
- The World of Credit Cards
- Credit and Credit Reports
- Identity Theft
- Auto Buying 101

If you are interested in **Sharonview** coming to your place of work to help you and others become financially fit, email us at: **financiallywell@sharonview.org**

Select Employer Group (SEG) Spotlight

In 1964, Louis Ruiz and his son, Fred, embarked on a dream to sell frozen Mexican food, based on the family recipes of Fred's mother, affectionately known as Grandma Rosie. In 1983, their hard work, dedication and innovative business practices earned them national recognition from the U.S. Small Business Administration. The Ruiz family of employees has now grown to more than 2,500 outstanding individuals. Many of them work in the heart of California's San Joaquin Valley, but they also have a facility in Florence, SC with over 1,000 employees. Sharonview has partnered with Ruiz Foods for many events including their Employee Safety Fair, membership sign-ups, and financial workshops. We look forward to working with them more in the future and growing our relationship.

7 Great Reasons Why An HSA Is A Good Financial Move

If you work for an employer who offers an optional High-Deductible Health Plan, you could enjoy a list of potential benefits and advantages that just won't quit. How so? Because you can have a Health Savings Account – an HSA!

1. **The contributions you make to your HSA are pre-tax, (aka tax-free)** If you make your contributions via payroll deduction, you don't have to wait for a tax refund. The money starts to work for you right away. That can be up to a 20% savings when you compare it to post-tax dollars.

2. **The funds in your account roll over from one year to the next** Unlike an FSA, there's no use-it-or-lose-it provision. Your money grows tax-free whenever your annual health care expenses are less than your contributions. (In 2017, the contribution limits are $3,400 for an individual and $6,750 for a family.)

3. **Any interest you earn within your HSA is also tax free** That's right! The money in your account, and the interest it can earn based on the type of account you have, isn't subject to taxes as long as you keep it there.

4. **Money invested inside your HSA also grows untaxed** This can be a big deal. If the balance in your account grows large enough, you can start to invest a portion of it rather than leave it in a savings account. And, your investments grow tax-free just like your interest is tax-free. Over time, you could wind up with a significant investment balance as protection against possible future healthcare needs.

5. **Once you reach age 65, withdrawal penalties disappear** If there ends up being something you always wanted to do, but simply never got around to it, this may be the ticket. Once you turn 65, you can use funds for things that aren't qualified medical expenses – the 20% penalty goes away. (You'll still have to pay taxes, though.)

6. **You can use money in your HSA to pay for long-term care** This could turn out to be an important benefit, especially if your family history suggests long-term care is likely to be an expense you'll face.

7. **HSAs are arguably the best retirement vehicle out there** Your 401(k) may take a hit every now and then, thanks to the market's ups and downs. But, if you have a good balance in your HSA, moving some of your balance to a self-directed HSA investment platform* could be your key to a more comfortable retirement. If you don't need the money to pay for qualified medical expenses at the time of the expense, just save your receipts. The rules allow you to reimburse yourself at any later time. It's kind of like paying yourself first – twice! Then, once you reach age 65, you can withdraw your funds without penalty. You just pay the income tax (at the tax bracket you're in at the time – not the one you're in now during your "earning" years). It works pretty much the same way the tax-deferred provision of a regular retirement account works. Finally, HSAs aren't subject to required minimum distribution rules – meaning you aren't required to start taking withdrawals from this account at age 70 ½, as with other retirement products or pension programs.

by Barbara Wood, CUinsight.com
October 30, 2017