

# Managing Your Money

## When It Makes Sense To Refinance Your Life

(NAPSA)—Do you know how much you are paying in interest every month on your credit cards, auto loan and mortgage? The answer may come as a surprise; therefore, it could be in your best interest to learn more about lowering your interest rates.

Many people do not realize how much interest adds to their monthly payments and how that amount can slow down the rate at which they are paying off a debt. On average, people can spend about a third of their annual income on unnecessary high interest rates associated with their monthly bills, simply because they are unaware that better options are available.

One way to save money is to refinance with a company that offers you a lower interest rate. In the case of credit cards, you can consolidate several cards into one lower interest payment. The best way to get started is to do a little homework by researching interest rates, then compare how the rates vary.

### Do Your Homework

To learn more about refinancing options, consider these helpful tips:

- **Check out and compare interest rates** to see what companies are offering. Much of this information can be found online. Taking the time to do your homework can really pay off, as some lenders offer rates that are dramatically lower than the national average.

- **Check your local paper** for major interest rate fluctuations.

- **Ask about closing costs.** If you are ready to refinance, be sure to ask about closing costs, as these can add to your total debt.

- **Inquire about fees.** When refinancing, ask about fees—you may be surprised by how much fees can vary!



Read the fine print and find out how much interest you are paying, then see if you can refinance.

- **Take advantage of discounts, promotions or incentives.** Check into companies that offer a discount for applying online, such as Pentagon Federal Credit Union (PenFed).

### Why PenFed?

A fiscally sound, member-owned credit union that has been lending for over 75 years, PenFed offers interest rates that are substantially lower than those the average person can get from commercial banks, especially if you apply online.

PenFed takes pride in serving over a million members, both civilian and military, worldwide. There are over 100 ways to join PenFed, and *you too can take advantage of its exceptional rates and member-first service!*

### Refinance Your Life

Here are just a few of the ways you can use PenFed's refinancing options to lower your debt payments:

- **Mortgage:** You could save on your home finance charges by getting an adjustable mortgage. The credit union delivers a finance rate that is fixed for five years. The initial rate can change every

five years by no more than two percentage points, up or down, never to exceed five percentage points above the initial rate.

- **Credit Cards:** You can consolidate and refinance credit cards at a lower rate. One consolidated payment with a lower interest rate could be lower than one of your existing payments.

- **Auto Refinancing:** Read the fine print on your car loan note. How much interest are you paying? It can really add up! PenFed offers refinancing on auto loans up to \$70,000 at attractive low rates. Refinancing is available for all car models, new or used.

### Learn More

PenFed offers a diverse selection of products and services with built-in value that's hard to beat; such as mortgages, credit cards, auto loans, equity loans, consolidation loans, Money Market Certificates, Money Market Savings, IRAs and much more—including a variety of insurance and investment-related products.

To learn more about PenFed and membership eligibility, visit [www.PenFed.org/lower](http://www.PenFed.org/lower) or call (800) 247-5626.