



The Consequence of Student Loan Debt

Shane Berger, President/CEO

My newsletter article this quarter is a message of advice to college students, and to parents and grandparents of college students. One of our outstanding mortgage loan officers, Jeanne Wright, recently came to me and asked what we were doing to warn our members about the consequences of student loan debt. She reported that many young families come to her desiring to purchase a home, and find that they can't qualify for a mortgage loan due to excessive student loan debt.

Mortgage rules require that we consider a monthly payment equal to 1% of the outstanding student loan balance when qualifying members for a loan, even if the loan is in deferment, or the payments are income-based. So if the member had \$50,000 in student loans, we are required to include a \$500 payment as part of their monthly debt payment obligations. In many cases, the student loan payment makes it impossible for the member to qualify for a home loan, and delays their dream of home ownership.

At this point the member must ask, "Why didn't someone warn me about this before I incurred all this student loan debt?" The purpose of this newsletter message is to answer that question. I realize that an education is critical to future career and financial success, and I know that without student loans some could not obtain a college education. However, I suggest that students do all they can to live frugally and limit student-loan debt to avoid the inherent negative consequences. Although it is difficult, many people work throughout their college years and minimize the student debt, thereby allowing them to purchase their dream home soon after graduation. In my personal case, I was able to work through college and only had to obtain a small student loan during my last semester at BYU. As a result, my family was able to save for a down payment and obtain a starter home within a very short time after graduation. If you have questions about qualifying for a mortgage loan, please give us a call at (208) 656-1000 and ask for a mortgage loan officer.

FREE Beehive Movie Night

Movie: Moana

When: Thursday July 13, 2017

Location: Beehive Pavilion

Time: 9:15 p.m.

FREE Popcorn will be served. Tickets not required for FREE movies.

FREE Beehive Rexburg Rapids and Movie Night

When: Thursday, August 10, 2017

Location: Rexburg Rapids

Time: 6:00-8:30 p.m. (Swim)

Free Food: Hot dog and drink

Get your Rexburg Rapids tickets from any branch from now until tickets are gone. A \$5 per person deposit is required but will be refunded at event. First come, first served. Limited space. For any questions please call (208)656-1000.

Movie: 9:15 p.m. at the Beehive Pavilion and the City of Rexburg will host, "Lego Batman". FREE popcorn will be served. Tickets not required for FREE movies.



Are Your Investments in Good Hands?

D. Jake Denning,
CFP®, MBA

LPL Financial
Advisor

For Financial Service

Professionals, adaptability is now more important than ever. Our industry is under substantial flux with new technologies entering the landscape; changing the way we do business, and ushering in a shift in regulatory oversight.

You may have heard rumblings about a rule released by the Department of Labor (DOL) in April 2016, which we call "the fiduciary rule." Essentially, it requires individuals giving investment advice to retirement accounts to act in their clients' best interests. While this sounds simple on the surface, it involves a lot of complexity. We are working to develop new solutions and opportunities that are designed to fit the needs of retirement investors, and I'm

personally excited about the innovation happening in financial services right now. Is your advisor excited?

Getting a gauge of your advisor's attitude about the DOL fiduciary rule can tell you a lot about his or her approach to serving you. Here are some questions to ask and things to listen for.

- "Can you explain the DOL fiduciary rule to me?" –Listen for positive language and optimism about the future of advice for retirement investors. You may want to be wary of any Financial Professional who dismisses the rule as insignificant, because it will have far-reaching impacts on the way they deliver advice. This could be indicative of a lack of information or preparation.
- "How will the rule affect my account?" – Even if your advisor doesn't have explicit details yet, you'll be looking to hear some reassurance that they're getting ready to act in your best interests and that they're working on the back end to determine the full impact of the rule.
- "What resources do you have supporting you?" –Complying with the rule is a complex task, so it is important that your

Thanks to all our members who attended our Annual Beehive Summer Picnic. We hope you had a great time!

advisor has access to support resources to help with the heavy lifting. For example, LPL Financial provides educational resources and a support infrastructure to help me.

If you're looking for an advisor who can assist you in this time of change, give me a call at (208) 656-1000.

Securities offered through LPL Financial, Member FINRA/SIPC. Insurance products offered through LPL Financial or its licensed affiliates. Beehive Federal Credit Union and Beehive Investments and Insurance are not registered broker/dealers, nor are they affiliated with LPL Financial.

Not NCUA Insured
No Credit Union Guarantee
May Lose Value

Dave Ramsey's Financial Peace® University

Dave Ramsey's Financial Peace® University is a life-changing experience that will help you get out of debt and learn how to start building wealth. All community members are welcome to participate in the nine week program. Classes will be held on Wednesday nights in Rexburg beginning September 6. Class admission and

Thank you to the Idaho Beef Council for donating \$2,500 towards purchasing the tri tip beef for Beehive's Annual Summer Picnic



lifetime membership are included with the materials fee of \$102.30. Pay online via <https://www.daveramsey.com/ffpu/classes/1041453>. Space is limited, so reserve your place now. Minimum class size of 25 persons is required for each location. A total of four tuition rebates (scholarships) may be offered, based upon need. To apply, go to www.beehive.org/daveramsey. If selected to receive the tuition rebate or scholarship, you must pay a refundable deposit of \$102.30 on the first day of class. If your attendance and participation is acceptable, Beehive will reimburse the \$102.30 on the last day of class.

Cell Phone Security

Phones now-a-days have turned into more like hand-held computers. We trust them with our passwords, information on our friends and family, and even your whereabouts from day to day. Protect your sensitive information better by using these four basic precautions (courtesy of Consumer Reports). First, one of the most important things you can do is secure your phone. A recent survey found that almost 40% of people did not have a basic password or lock code on their phone. This is the first line of defense, so the longer the password / combination is, the better protected your device is. Second, regularly backup your data. This can prevent complete loss of information and clears memory for your mobile phone. Third, install an app to locate a missing phone and or remotely erase data from it. If your device gets stolen, a strong password and the ability to delete the information from afar could leave thieves coming up empty when trying to access your details. Fourth, install a security app. Users that use a lot of apps are at higher risk for malicious software being downloaded. Be sure your smart phone is being monitored by a well known security app. Use these guidelines to start getting your phone and information secure today.

Get a \$100 Cash Reward for Every New Line You Switch to Sprint

This new exclusive cash rewards offer is our best one EVER! Now, as a credit union member, you can earn \$100 for every line when you switch to Sprint®.

Here's how it works:

- Members get a \$100 cash reward for every new line when you switch to Sprint®.
- Current Sprint customers will receive a \$50 cash reward for every line transferred into Sprint Credit Union Member Cash Rewards.
- Plus, get a \$50 loyalty cash reward every year for every line.

Here's how to sign up for Sprint cash rewards:

1. Become a Sprint customer.
2. Register at: LoveMyCreditUnion.org/SprintRewards or in the Love My Credit Union Rewards® app.
3. Allow up to six to eight weeks to see cash rewards directly deposited into your credit union account!

Make the switch today and save with the Sprint Credit Union Member Cash Rewards!

Holiday Closure Schedule

Tuesday, July 4: Independence Day
 Monday, Sept. 4: Labor Day
 Monday, Oct. 9: Columbus Day
 Friday, Nov. 10: Veterans Day
 Thursday, Nov. 23: Thanksgiving Day
 Monday, Dec. 25: Christmas Day



Full details at www.beehive.org/eclipse

Loan Rates | Term Share Certificates

NEW/USED CAR LOAN	FROM 2.60% APR
SIGNATURE LOAN	FROM 8.90% APR
COLLATERAL LOAN	FROM 4.40% APR
VISA PLATINUM CARD	8.90% APR

APR = ANNUAL PERCENTAGE RATE

3<6 MONTH	0.20% APY
6<12 MONTH	0.30% APY
12<18 MONTH	0.55% APY
18<24 MONTH	0.60% APY
24<36 MONTH	0.80% APY
36<48 MONTH	1.10% APY
48<60 MONTH	1.45% APY
60 MONTH+	1.70% APY

APY = ANNUAL PERCENTAGE YIELD

(RATES AS OF JUNE 12, 2017; 48-MONTH TERM OAC; SUBJECT TO CHANGE WITHOUT NOTICE; VISIT WWW.BEEHIVE.ORG FOR OUR MOST UP-TO-DATE RATES)