

First-Time Auto Buyer Program

It's time to purchase your first vehicle!

An exciting time, yet you may be concerned about getting approved for financing.

For those with little or no credit, Downeast Credit Union is here to help with the purchase of your first vehicle.

The First-Time Auto Loan Program simply requires you to have a driver's license, proof of income, and proof of auto insurance.

How this program helps:

- ✓ An ideal way to establish credit
- ✓ Flexible repayment terms
- ✓ Low down payment required
- ✓ Free auto buying service
- ✓ Free online search and tools

Complete the First-Time Buyer Lending Application Online

downeastcu.com

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First-Time Auto Buyer Program

Build credit as you finance your first vehicle

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First-Time Auto Buyer Program

How does it work?

By getting pre-approved for your First-Time Auto Loan, you'll be ready to negotiate the best possible price at the dealership. DECU's Lending Experts will guide you every step of the way. We can even help you shop for reliable transportation through our great relationships with auto dealers across the state.

Loan Requirements

The amount of your loan will be based on your annual income, credit history and other factors. A qualified co-signer may be needed. Some requirements of the loan include:

- Driver's license
- Proof of auto insurance
- Proof of income.

Make sure your first auto loan experience is a memorable one – see Downeast *first* for your first auto!

Credit Score	What it Means
Over 800	Exceptional
740 to 799	Very Good
670 to 739	Good
669 to 580	Fair
579 and below	Poor

What goes into a Credit Score?

1. **35% Payment History:** Includes records of payments on loans and amounts owed on any delinquent accounts.

Tips: Pay your bills on time. Set up a budget to ensure you have money to pay your bills on time. Set your payments up to transfer automatically. A payment that is 30+ days late can stay on your credit score for years.

2. **30% Amounts Owed:** The percentage of total available credit on all credit cards that is being used and the amount still owed on a loan paid in installments.

Tips: The amount you owe in relation to your credit limits is weighted almost as heavily as your payment history. A good rule of thumb is to avoid using more than 30% of your credit limits (ex: if you have a \$1,000 limit, do not carry a balance of more than \$300).

3. **15% Credit Age:** The age of your oldest credit account, the age of your newest account, and the average age of all your accounts.

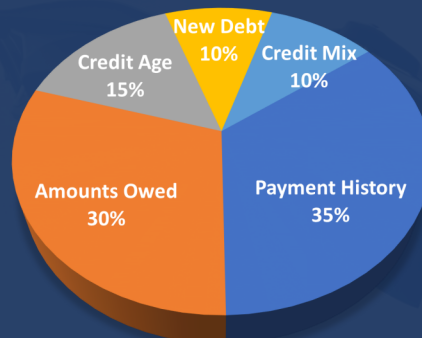
Tips: Keep your oldest accounts open if possible.

4. **10% New Debt:** The number of new accounts you have opened as well as the number of recent requests by lenders to review your credit reports or scores.

Tips: If you are new to credit don't open a lot of new accounts. Applying for credit frequently or taking out new loans can be a red flag to lenders that you are taking on too much debt which can be a risk. Inquiries impact your credit score for 12 months but remain on your report for 24 months.

5. **10% Credit Mix:** Includes whether you have different types of credit accounts, divided into revolving (such as credit cards and home equity lines of credit) and installment (such as mortgages and student loans).

Tips: You don't need to have each type of credit but having a mix of installment and revolving is better than having just one type.



Reasons to Keep a High Credit Rating

Credit reports and scores are used for more than just borrowing money.

- ⇒ Credit can affect your ability to get a job. Many employers pull credit reports to see if you have shown responsibility managing your finances.
- ⇒ Credit can affect your ability to acquire utilities like electricity, cable, and cell phones.
- ⇒ Credit can affect your ability to rent an apartment or house.
- ⇒ Credit also affects how much you will pay to borrow money. Creditors will rate your loan based on the risk you pose in your credit score.

Good Credit vs Bad Credit Scenario

Having good credit means you save money in interest which is more money in your pocket!

	Good Credit	Bad Credit	What you save by having good credit!
Credit Score	700	600	
Interest Rate	4.24%	10.24%	6.00%
Term	5 years	5 years	
Loan Amount	\$25,000	\$25,000	
Monthly Payment	\$463.13	\$534.13	\$71.00
Total Interest	\$2,787	\$7,048	\$4,261

**First-time auto buyer program available to qualifying members based on approved credit and other requirements such as a verifiable employment. Not all applicants will qualify for the lowest rate. Other restrictions including vehicle and mileage limitations may apply. For example, a 60-month, fixed-rate auto loan for \$20,000 would have 60 monthly payments of \$363.70 at an annual percentage rate (APR) of 3.49%. All rates and terms subject to change at any time.*

Let us help build your credit as you finance your first vehicle—Apply Online
downeastcu.com