



Hi Everyone,

Chut Chut. That's a Russian phrase for a little. My mother-in-law and I have very different definitions of chut chut. That became very apparent on our recent trip to Belarus. I'd tell Mama chut chut and invariably I'd end up with a big bowl of kasha or borscht or a heaping plate of potato pancakes or cottage cheese pancakes. And everything with a big dollop of sour cream or butter, of course, and lots of heavy, dark bread. Fortunately we worked really hard harvesting potatoes and squash and building a new fence. But we had lots of laughs from our different definitions of chut chut.

We're in the middle of a chut chut economy and I'm afraid that my definition of chut chut is the one that best describes our current economic conditions. It's a time when everyone is starting to think just a little. The time of over extravagance has gone. And this way of thinking could persist for a long time to come.

Do you understand the phrase chut chut? It means a little and it should be a way of life for all of us in these economic times. Every pay period we should be saving a little, especially if we have tax preferred savings options at work. Every month we should be paying off a little extra debt. My wife and I are currently in the midst of an autumn cleaning spree, and I'm also beginning to realize that chut chut means taking a little of the clothes and shoes in my closet that may be perfectly fine but I never wear and giving them to charity. You see, chut chut can mean some very positive things.

Our time in Belarus was so pleasant this year with Indian summer weather and the work of autumn getting ready for winter. It was mushroom season so we ate lots of mushrooms with a taste you just can't get in the United States. And we even got a ride in Uncle Sasha's cart. But the fondest memory I have is of Mama and I talking and laughing about chut chut.

Till Next Time,

Evan Clark, President and CEO



ARM YOURSELF AND SAVE ALMOST \$50,000 OVER 7 YEARS.

As a result of the recent mortgage meltdown, Adjustable Rate Mortgages (ARM's) have taken quite a beating in the media. And because of some unscrupulous mortgage lending practices, the "bad rap" was justified in many instances. But, here's a news flash for you. In specific situations, the ARM can be an ideal solution and a sound financial strategy.



If you don't plan to be in your home for longer than 7 years (maybe retirement is on the horizon or you're likely to get transferred to another post), take a look at the following example:

- A couple in DC owns a home with a mortgage of \$400,000. They currently have a 30-year fixed mortgage at 5.50% APR, making their monthly payment \$2,271.16 (exclusive of PMI and escrow).
- Since they qualify for membership in DOCFCU, they speak with one of our knowledgeable Reps who points out to them that they can refinance to a 7-year ARM. At our current Rate of 3.125%*, their payment will drop to \$1,713.50 per month.
- That's a reduction of \$557.66 per month, or \$6,691.92 annually.
- Over the next 7 years, this couple will save \$46,843.44 in monthly mortgage payments.
- Now, they can either use this money to pay off additional principal of their mortgage every month, or they can invest it in a DOCFCU Certificate and earn as much as 2.75% APY*.
- Another shining example of Live well. Below your means.

*Rates and Yields quoted in this article are effective as of October 5, 2010 and are subject to change without notice.

SO, WHERE DO WE GO FROM HERE?

If you've decided by this point that an ARM from your credit union is an option you want to explore further, we've got just the tool.

It's our Online Mortgage Center, and you'll find it at:

docfcu.mortgagewebcenter.com

Once there, you'll be able to:

- **Read through helpful information** on the home buying and mortgage application processes
- **Check out the most current rates** on all of our mortgage products
- **Look at payment and term options** using our calculation program
- **Ask for a personalized quote** based on your specific situation
- **Apply** for your DOCFCU mortgage immediately



So, what are you waiting for?
Visit our Online Mortgage Center or contact one of our Mortgage Specialists at 202.482.1924 today.

WE DO ARM'S

DOCFCU offers Adjustable Rate Mortgages in 3-, 5- and even 7-year terms. And although we offer a pretty darned competitive 30-Year Fixed Rate, check out how it compares with our historically low ARM Rates. Then, check out the following chart to determine if an ARM could be an ideal solution for you.

Notes: Interest rates shown are subject to change without notice. The monthly payment amount shown includes principal, interest and mortgage insurance, if required. Your actual monthly payment will be higher if an escrow account is established or required.

DOCFCU Mortgage	Rate	Typical Monthly Payment on a \$400,000 Mortgage
30-Year Fixed	5.125%	\$2,177.95
3-Year Adjustable Rate	3.500%	\$1,796.18
5-Year Adjustable Rate	3.125%	\$1,713.50
7-Year Adjustable Rate	3.125%	\$1,713.50

Mailing Address P.O. Box 14720, Washington, DC 20044-4720
Branch Locations Herbert C. Hoover Building, Room B-818, Washington, DC 20230
1325 East West Highway, Metro II Building, Room 9174, Silver Spring, MD 20910



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