



Member News

Fall 2020

Explore the possibilities

Custom mortgages designed for you

When you're buying, building, or renovating your home, you're looking for more than a mortgage. You're also looking for a mortgage specialist who will take the time to understand your needs and goals. "Our goal is to find a customized solution that fits your lifestyle," says Charlene Bart, Manager of Consumer Lending at SCU's Lagimodiere branch.

One way we can do this is by providing specialized lending solutions for both cottages and mobile homes. "We can set up these deals very efficiently," Bart says. In these cases, we offer options to finance building projects on leased land.

Our Self-Build Mortgage is designed for those who are able to invest their own sweat equity in building projects. This is an affordable option if you have the skills to be your own contractor. When you meet with a lending specialist, you'll work together to assess the project value, building costs, and in-kind value of the skills you will use during construction. "We look at that as a huge asset," Bart says.

Finally, we offer a customized New to Canada Mortgage that focuses on newcomers who are professionals or business owners. "We don't require traditional income

confirmation," Bart explains. "We look at the potential of the applicant. Often, they are professionals with capital for a down payment."

Given the rapidly growing population of highly skilled immigrants from all over the world moving to Manitoba, we have seen need for this kind of lending increase significantly.

"Our goal is to find a customized solution that fits your lifestyle."

Bart says that from what her lending team is experiencing, she's not expecting much to change in the real estate market in the coming months. Although demand usually tends to slow down as winter approaches, especially for vacation properties, she points out, "There are no seasons right now."

Interested in our specialty mortgages? Give us a call at **1.800.728.6440** to schedule an appointment to meet with a lending specialist, who will help you explore all of your options. Or, you can get in touch with us online by filling out our contact form at scu.mb.ca/mymortgage.

Regular Savings vs Term Deposits (GICs)

Trying to decide which savings option will work best for your saving goals? Here are some of the key features to consider as you choose between our Regular Savings or GICs.

Regular Savings

ACCESS YOUR SAVINGS WHEN AND HOW YOU NEED

- ✓ Earn interest right from dollar one
- ✓ Tiered rates starting at \$100K
- ✓ Deposits guaranteed 100% by the Deposit Guarantee Corporation of Manitoba*
- ✓ Ideal for:
 - A rainy day fund
 - Everyday savings
 - Saving for a large purchase

GICs

WITH A MINIMUM \$500 DEPOSIT, EARN A GUARANTEED RATE OF RETURN

- ✓ Generally higher rates than a variable account
- ✓ Convenient one to five-year terms
- ✓ Deposits guaranteed 100% by the Deposit Guarantee Corporation of Manitoba*
- ✓ Ideal for:
 - Long-term investments
 - Creating a diverse portfolio
 - Saving for a large purchase

THINGS TO CONSIDER

Are you comfortable locking funds into a term?

If there is a chance you may need to withdraw early, consider either a Regular Savings account or a GIC with a shorter term.

Do you prefer a fixed or variable interest rate?

Variable interest rates change depending on the market, while fixed rates guarantee a set rate of return for the term length.

Why not choose a combination of both?

While you set aside your rainy day fund in a high-interest Regular Savings account, you may also want to open a GIC for longer-term investments.

What about an RRSP or TFSA?

Whether you choose Regular Savings or a GIC, consider saving in your RRSP or TFSA, both of which offer distinct tax advantages.

*Includes all savings and chequing accounts, RRSPs, RRIFs, TFSAs, and GICs.

See how much more you can save by trying our savings calculator at scu.mb.ca/mysavings.



It only takes a few minutes to refer a friend

As an SCU member, you've already discovered our great rates and outstanding service. Help us spread the news! Refer your friends and family to SCU to win **1 of 6 \$500** savings accounts.

Learn more at scu.mb.ca/referral.

Best practices for diversifying your portfolio

If asked to describe a healthy portfolio, Manish Kaushal, Associate Vice President of Wealth and Business Solutions at SCU and Mutual Funds Investment Specialist at Credential Asset Management Inc., likes to compare it to gardening.

“You could plant only one type of flower,” he says, “but the whole garden could be entirely wiped out by a single pest.” The better approach is to add a variety of plants that have different growth periods, appearances, and types of resilience.

The same is true for portfolios, especially during periods of volatility.

For most investors, their portfolios consist of equities, bonds, and money market instruments, or mutual funds* that own similar asset categories. You can also build your portfolio diversified by region, currency, and industry.

Past events have shown that even during economic downturns, some markets are negatively affected while others flourish. That being said, you may not want to get distracted by the large gains in high-growth industries like consumer technology. Equities issued by dull but predictable companies, such as utilities or car insurance, deliver consistent growth.

“Diversified portfolios also account for the age of the investor and their tolerance for volatility,” says Kaushal.

If you’re a younger investor, you can make informed decisions early on by educating yourself on different investment vehicles. If you’re closing in on retirement, it’s a good idea to work with your wealth advisor to gradually reduce volatility in your portfolio so market fluctuations don’t delay your retirement.

”**“Diversified portfolios also account for the age of the investor and their tolerance for volatility.”**

Keep in mind your asset reallocation efforts must be aligned with your retirement goals. Newly retired people may require more cash flow to fund travel plans or long-delayed purchases. That means restructuring your portfolio to deliver the right amount of cash at the right time. “We recommend you work backward from what you expect your lifestyle will require,” explains Kaushal.

Kaushal says one way you can start preparing is by planning your cash flow requirements for the upcoming year.

**Mutual funds are offered through Credential Asset Management Inc. Mutual funds and other securities are offered through Credential Securities, a division of Credential Qtrade Securities Inc. Credential Securities is a registered mark owned by Aviso Wealth Inc.*

Four simple tips to protect yourself from fraud

- 1 **Create better passwords and update regularly**
Choose a unique password every time, and use short phrases instead of single words.
- 2 **Don’t click the link**
If you receive an email or text message with links, think before you click — even if you know the sender.
- 3 **Protect your account**
Never send or accept money from anyone you don’t know or trust.

- 4 **Report fraud**
If you spot a scam or have been scammed, get help by following these three steps:
 - File a police report
 - Call the Canadian Anti-Fraud Centre at **1.888.495.8501**
 - To ensure your online banking accounts haven’t been compromised, call SCU at **1.800.728.6440**



Refinancing your home with a multi-purpose mortgage

Refinancing your home doesn't always mean breaking a mortgage contract. With our multi-purpose mortgage, you have the ability to tap into your home equity and borrow under a separate lending facility. This can help save money on penalties while leaving your current mortgage intact. In order to refinance, you'll need to have at least 20% of your home's value available in equity.

WHEN TO CONSIDER A MULTI-PURPOSE MORTGAGE

Making a major purchase: If you're planning for a large, one-time expense, a multi-purpose mortgage can be a great option to keep borrowing affordable and convenient.

Consolidating high-interest debt: When refinancing to consolidate debt, you can wrap up several higher interest payments into one single monthly payment at a

lower interest rate. When it comes to debt consolidation, it's important to have a plan in place to ensure you don't accrue more debt.

Using your mortgage to leverage your investing: If you're a homeowner, it's possible to leverage your equity to borrow against what you've paid off on your mortgage. You can use a loan to further your net worth by investing it in the market, using it as a down payment for an investment property, or even using it as an RRSP contribution.

WHAT'S THE NEXT STEP?

The best way to get started is to speak with a lending specialist, who will work with you to understand your goals and explore your options. Start the conversation by filling out our contact form at scu.mb.ca/mymortgage or call us at **1.800.728.6440**.

Let's keep in touch

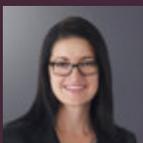
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