



### First Federal Bank

2452 Sir Barton Way  
Lexington, KY 40509  
859-253-2605

Find us on facebook or online at [www.ffbankky.com](http://www.ffbankky.com)

*Our Mission is to provide the best possible solutions for our customers' financial needs.*

#### Locations:

##### First Federal Bank :

**Lexington:**  
110 W. Vine Street  
3346 Tates Creek Pike  
833 Lane Allen Road  
2452 Sir Barton Way

##### Georgetown:

701 South Broadway

##### First Mortgage Company:

**Lexington:**  
2452 Sir Barton Way

*First Federal Bank will be recognized as the premier provider of financial services in the markets we serve.*

### Product in the Spotlight...Free Student Checking Account



Charlesetta R. Centers  
Assistant Vice President  
Tates Creek Branch Manager  
859-244-7258  
[ccenters@ffbankky.com](mailto:ccenters@ffbankky.com)

First Federal Bank offers an affordable checking account just when you need it the most with our **Free Student Checking Account**. While you are in school, this checking account provides basic

checking without a monthly service charge. It's available to all full-time and part-time students ages 23 and younger.

#### Account Features

- No monthly service charge.
- No minimum balance.
- One overdraft fee waived during the account's lifetime.
- Unlimited transactions.
- Free Debit MasterCard®.
- Five free foreign ATM transactions per month.\*

- Free online banking and bill payment.
- Monthly electronic statements.

If you are a student preparing to head off to college in the fall, this is the account for you.

For more information on our Free Student Checking Account, call Charlesetta Centers at 859-244-7258 or call any branch location. This is a great, affordable checking account for students!

\*Applies to First Federal fees only.

### Express Checks...Personal Checks in a Hurry!

First Federal Bank's Express Checks can save you both time and money. Express Checks are printed in-house so they're available to you the next business day for pick up. (Allow 3 business days if your order is mailed.)



With Express Checks, you are able to save 50% or more on your personal checks compared to national check vendors. And...it promotes privacy and security. Customer information never leaves First Federal Bank for third party handling. When we hand deliver a check order to you, we lower the risk of stolen checks, thus reducing your risk of check fraud and identity theft. Plus, we offer a 100% money back satisfaction guarantee!

Call 859-253-2605 today for more information on First Federal Bank's Express Checks.



Telephone and Internet service was recently down in the Hamburg area affecting our internet, phone and computer systems. We apologize for any inconvenience and appreciate your patience.



## Is Now the Time to Refinance?



Are current interest rates lower than the rate on your loan? Has your credit score improved so that you might be eligible for a lower rate mortgage loan? Would you like to switch to a different type of loan? The answer to these questions will influence your decision to refinance your mortgage loan.

Your home may be your most valuable financial asset. You want to be careful when choosing whether to refinance and at what specific loan terms.

When you refinance, you pay off your existing loan and create a new one. You may even decide to combine both a primary mortgage loan and a second mortgage loan into a new one.

### Why Refinance?

#### Lowering your interest rate.

The interest rate on your mortgage loan is tied directly to how much your payment is each month. Lower rates usually mean lower payments. You may be able to get a lower rate because of changes in the market or because your

credit score has improved. A lower interest rate also may allow you to build equity in your home more quickly.

#### Adjusting the length of your mortgage loan.

~ Increase the term of your loan. You may want a loan with a longer term to reduce the amount that you pay each month. However, this will also increase the length of time you will make payments and the total amount that you end up paying in interest.

~ Decrease the term of your loan. Shorter term loans—for example, a 15-year loan instead of a 30-year loan—generally have lower rates. Plus you pay off your loan sooner, further reducing your total interest costs. However, your monthly payment is usually higher because you are paying more of the principal each month.



#### Changing from an Adjustable Rate to a Fixed Rate Mortgage Loan.

If you have an Adjustable Rate Mortgage Loan, (ARM), your monthly payments will change as the interest rate changes. With this type of

loan, your payments could increase or decrease. If you're uncomfortable with the prospect that your payments could go up, you may want to consider switching to a fixed-rate for the peace of mind of knowing your monthly payment will not increase.

#### When is Refinancing Not a Good Idea?

##### You've had a mortgage loan for a long time.

The proportion of your payment which goes to your principal increases each month while the proportion going to interest decreases each year. In the later years of your mortgage loan, more of your payment applies to principal and helps build equity. By refinancing late in the term of your loan, you will restart the amortization process, and most of your monthly payment will go to interest and not build equity.

##### Your current mortgage loan has a pre-payment penalty.

A pre-payment penalty is a fee that lenders might charge if you pay your loan off early, even to refinance. If you refinance with the same lender, ask if the fee can be waived. You should carefully consider the cost of the penalty compared to the savings you expect to gain from refinancing.

##### You plan to move from your home in a few years.

The monthly savings gained from lowering your monthly payment may not exceed the cost of refinancing. A break-even



calculation will help you determine whether its worthwhile to refinance, if you are planning to move in a few years.

#### How to calculate the break-even period.

(Example)

Current payment	\$1,199
Less new payment	\$1,073
Equals savings	\$ 126
Closing cost total	\$2,500
Divide closing cost/savings	\$2,500/ \$ 126
#of months to recover costs	20

#### Are You Eligible to Refinance?

Determining your eligibility to refinance is similar to the approval process for your first mortgage loan. Your lender will consider income, assets, credit score, other debts, the

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current value of your property and the amount you want to borrow.

Lenders will look at the value of your home, based on a recent appraisal, and the amount of the loan request. If the loan-to-value ratio does not fall within their guidelines, they may not be willing to make the loan.

Recent market conditions have affected housing prices and your home may not be worth as much. Your loan-to-value ratio will be affected and you may not be able to borrow as much or it could make it difficult to refinance at all.

### What Will Refinancing Cost?

Refinancing fees can vary. Compare rates and fees between lenders you are considering.

#### Common fees.

- **Application fee.** Charged by the lender to cover the initial costs of processing the application.
- **Origination fee.** Charged by the lender to cover the costs associated with originating the loan. Usually a percentage of your loan amount.
- **Points.** A point is equal to 1 percent of your loan amount. You might pay a loan discount point. This is a one time charge paid

to reduce the interest rate of your loan.

- **Appraisal fee.** This fee pays for an appraisal of your home to verify the value of your home.
- **Attorney fee.** The lender will usually charge you for fees paid to the lawyer who conducts the closing for the lender.
- **Title search and title insurance.** This fee covers the cost of searching the property's records to ensure that you are the rightful owner and to check for liens. Title insurance covers the lender against any errors in the results of

the title search.

- **Survey fee.** Lenders require a survey to confirm the location of buildings and improvements on the land.

### First Federal Bank can Help!

Making the decision to refinance and choosing a mortgage loan may be the most important financial decisions you make. You should get all the information you need to make the right decision. We have experienced loan originators who will guide you through the process and help you make the right decision for you. Call today!

## Meet our Mortgage Loan Originators



### Steve Menshouse

Cell: 859-533-2029  
Office: 859-244-7240  
smenshouse@ffbankky.com



### Sandy Tackett-Combs

Cell: 859-229-2910  
Office: 859-244-7244  
scombs@ffbankky.com



### Janice Richardson

Georgetown, Kentucky  
Cell: 502-867-9009  
Office: 502-863-5800  
jrichardson@ffbankky.com



### Doug Hicks

Cell: 859-494-0043  
Office: 859-244-7206  
dhicks@ffbankky.com



### Eddie Dalton

Cell: 859-221-7539  
Office: 859-244-7239  
edalton@ffbankky.com

Our mortgage loan originators have over 150 years combined service in the mortgage lending business. We will tailor your home loan to meet your needs and save you valuable time and money. Our innovative and unique products will offer you various options when financing your home. First Federal Bank has been financing homes in Central Kentucky for over 75 years. If you are considering refinancing your existing home, or purchasing a new home, give one of our experienced Mortgage Loan Originators a call. We can help you make the right decision.

## Safe Online Banking



Online Banking has grown rapidly into a major way to do your banking. In fact, some surveys suggest that far more people prefer to bank online. Technology has made online banking possible and increases in safety and security measures have helped it remain safe.

First Federal Bank invests in both security technology and training so our online partnership with you, our customer, continues to be safe. However, these measures can't be effective without your help and cooperation.

Some common sense and precautions can help you safeguard your personal information from identity theft and account fraud.

**Protect your Password.** Your password is the key that opens the gate to your online bank account. Crooks would love to know this vital piece of information. Therefore, security begins with a strong password which only you know. Craft a password that is a combination of numbers and letters—the longer the

better. Experts strongly advise against using easily guessed passwords like birthdates. It is also recommended that you change your password every few months or so.

**Email.** Email is generally not encrypted so don't send sensitive information, like account numbers, in this manner.

Those wanting to steal personal information online often resort to what is called "phishing". In this practice, criminals may send emails asking for credit card info, PINs (personal identification numbers) or passwords. Crooks in the online banking world often send emails that seem to be from legitimate financial institutions. These emails appear to be convincing because they contain the



logo of a real bank. However, these emails often contain a link that leads you to a fake site designed to steal your personal information.

Legitimate emails will never ask for your password, PIN or credit card information.

If you receive an unsolicited email purporting to be from First Federal Bank or any other financial institution, be cautious. Take the time to call and verify it's authentic.

**Anti-Virus Protection.** Make sure the anti-virus software on your computer is current and scans your email as it is received. This is critical to your online security and safety.

**Look for the Lock Icon.** 

Before entering personal information on a website, look for the "lock" icon in your browser. A closed lock or padlock indicates that the website you are on is secure.

**Monitor Your Accounts.** By checking your accounts on a regular basis, you can let us know immediately if something does not look right.

**Sign Off and Log Out.** Never leave your computer unattended once you have signed in to online banking. After completing your transactions, ensure you sign out of online banking, clear your cache, and close your browser. Always log out of any site you have entered to pay bills, make purchases or conduct any other financial transactions. This will ensure the protection of your personal information.

**Contact us.** Never hesitate to contact First Federal Bank if you have accidentally submitted your personal information to a fraudulent website. Call us immediately.

Online banking can be both a convenient and safe way to manage your finances. Simply take the necessary precautions in order to ensure the safest experience possible.

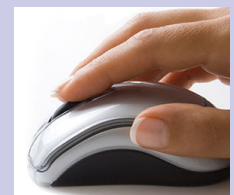


First Federal Bank offers online banking and online bill payment free to our checking account customers.

You can access any of your First Federal Bank accounts from home to do your banking 24 hours a day, 7 days a week. It allows you to pay bills, check balances and transfer funds.

Contact a First Federal Bank representative today at 859-253-2605 for more information.

Convenience is just a click away!



# Funds Availability Changes...effective July 21, 2011



The Dodd-Frank Wall Street Reform and Consumer Protection Act was signed into law by President Obama on July

21, 2010. One rule resulting from this act becomes effective July 21, 2011.

This new rule affects Regulation CC and our Funds Availability Policy.

Regulation CC contains rules regarding the duty of banks to make funds

deposited into accounts available for withdrawal. This rule changes the "next day availability" amount on a deposited check from \$100 to \$200.

If you have any questions about this regulation and the affect it may have on your account, please

contact Cate Milburn, Electronic Banking Manager, at 859-244-7282.



## Employee Active With Philanthropic Sorority



Charlie Centers at Psi Iota Xi Convention's "Prom Night"

Charlie Centers, Tates Creek Branch Manager, attended Psi Iota Xi's National Convention in Indianapolis, Indiana, June 24-26. Charlie was one of seven representatives of the Lexington Theta Nu

Chapter.

The Lexington Chapter won the Silver Tray for having the highest percentage in attendance based on Chapter size. They keep the tray until next year's convention.

Psi Iota Xi is a national philanthropic sorority.

Centers has been actively involved for the past seven years, serving as Corresponding Secretary for two years and Recording Secretary for

two years.

The convention, themed "Lessons Learned: A Legacy For Our Future", celebrated the accomplishments of the philanthropic sorority led by Deanna Howard, National



Charlie Centers with fellow Psi Iota Xi members.

President. For the past 15 years, more than one million dollars has been donated annually to art, music, literature and speech and hearing projects by Psi Iota Xi Chapters, State Associations and the National Organization.

There are 130 chapters with over 3,000 members dedicated to charitable endeavors.

Theta Nu of Lexington primarily supports the Lexington Hearing and Speech Center.



### Anything is Possible

With A

## First Federal Bank Home Equity Loan!

*Rates as low as 5%*

*Apply Today!*

*Contact a branch manager for more information.*

