

The
TGB

Scoop

The practical bank for business. And you.


**TEXAS GULF
BANK** N.A.

FREEPORT • CLUTE • ANGLETON
LAKE JACKSON • WEST COLUMBIA

Imagine... *Home Loans Made Easy!*

You've decided to buy a new home and are wondering what to do next. Let Texas Gulf Bank take you step-by-step through the loan process. We'll help make it easy to get into that dream home.

HOW MUCH CAN I AFFORD?

The first step in the house hunting process is to determine what price range you can afford. Texas Gulf Bank can determine that for you through free pre-qualification. This means that we'll look at your credit history, income, and debt to determine the maximum amount you can afford to spend on your new home. The mortgage qualification process is a relatively simple one, but important because it gives you a sense of direction when looking for a new home or talking to a realtor

SHOP FOR YOUR HOME

Now that you know how much home you can afford, it is time to find that home of your dreams. Decide on your list of wants and needs in a new home. Choose a real estate agent that you feel comfortable with, give them your list and let them know your price range based on your prequalification.

When shopping for a home, being prequalified not only helps your position with the realtor, but also strengthens your bargaining power with the seller. If there are 2 offers on the table and one is from a prequali-



fied buyer, they will definitely pay more attention to that buyer's offer.

WHAT TYPE OF MORTGAGE LOAN IS BEST FOR YOU?

You've found your home, now it's time to decide on what type of loan is best. Do you choose a 15 year or 30 year mortgage? What is the difference between a fixed rate and an adjustable rate mortgage, and which is right for you? How much should you put down and what type of closing costs will be involved? Relax! The mortgage lending pros at Texas Gulf Bank can answer all those questions for you. We will shop around to find the best loan for your needs. We do the comparing for you.

SIGNING ON THE DOTTED LINE

There are many things you have to consider when preparing to close on your loan. You will need cash for closing costs and down payment plus there are costs associated with Private Mortgage and home owners insurance. However, if you qualify, TGB can help with closing

costs. That's right, Texas Gulf Bank is currently offering a program for qualified buyers that requires no membership and no fees to pay at closing!

COME SEE US NOW!

What are you waiting for? Come by our Mortgage Department at the Clute branch on Dixie Drive to get started on the road to new home ownership. We are ready to help. Contact Mary McGaughey at (979)297-7211 ext. 12129.

HOME EQUITY OR HOME IMPROVEMENT: *Which is right?*

Do you need to make some improvements to your home before you can even think about selling it? If so, do you ask for a Home Equity Loan or a Home Improvement Loan?

To decide, you should know the difference between the two. Home improvement loans are directed to the construction, new improvement, repair or renovation of an existing home. These loans require that a contractor perform the work on the project. The bank makes periodic inspections and pays the contractor in stages as work is completed.

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PRESIDENT'S Message

Helping You to Understand Your Credit Score...



So many of our customers have questions about their credit score. What is it and why does it matter? Your credit score affects whether you can get credit and what type of interest rate you will pay. The higher the score, the more likely you are to be approved and pay a lower interest rate.

There are several factors that affect your credit report. First, your **payment history** is reviewed. Have you paid your credit accounts on time and paid off the debt you owed? Second, we look at **how much you owe** on all your accounts. Your debt to income ratio is very important. We want to know that you will be able to pay back what you borrow. We also look at how many accounts you have with balances and how much of your available credit you are using. Next, we look at the **length of your credit history**. A longer history will increase your score. Finally, how much **new credit** you have recently applied for is also considered. Having a mix of credit types on your report, such as credit cards, installment

loans, a mortgage, etc., can add slightly to your score.

So what is a good score? In the eyes of most lenders, scores above 700 are very good and a sign of good financial health. Scores below 600 indicate high risk to lenders and could lead to you being charged a higher interest rate or turned down completely.

Here are a few tips on how you can boost your score.

1. Pay your balances on time.
2. Keep your balance low on credit cards.
3. Pay off debt rather than moving it between credit cards. - pay down your revolving debt.
4. Apply for and open new credit accounts only when you need them.
5. Check your credit report regularly for accuracy and contact the credit reporting agency to correct any errors.
6. If you have missed payments, get current and stay current.

If you have any credit needs, we would be happy to talk to you. Come by and see us!

James F. Brown, Jr.
President & CEO of Texas Gulf Bank, N.A.

PROTECTING YOURSELF... Tips for ATM Safety 1 in a 3 part series

With an increase in the fraud and theft of ATM and Debit Cards, it is more important than ever to protect yourself when using your card at ATM machines. Here are 5 tips to consider when choosing the ATM you are going to use.



Tip 1:

Where possible, use ATMS with which you are most familiar. Alternatively, choose well-lit, well-placed ATMS where you feel comfortable.

Tip 2:

Scan the whole ATM area *before* you approach it. Avoid using the ATM altogether if there are any suspicious-looking individuals around or if it looks too isolated or unsafe.

Tip 3:

Avoid opening your purse, bag or wallet while in the queue for the ATM. Have your card ready in your hand *before* you approach the ATM.

Tip 4:

Notice if anything looks unusual or suspicious about the ATM indicating it might have been altered. If the ATM appears to have any attachments to the card slot or key pad, do not use it. Check for unusual instructions on the display screen and for suspicious blank screens. If you suspect that the ATM has been interfered with, proceed to another ATM and inform the bank.

Tip 5:

Avoid ATMS which have messages or signs fixed to them indicating that the screen directions have been changed, especially if the message is posted over the card reader. Banks and other ATM owners will not put up messages directing you to specific ATMs, nor would they direct to use an ATM which has been altered.

GET MORE MILEAGE *Out of your Tax Refund*

You've just completed this year's tax return and, lo and behold, line 73 of your Form 1040 proclaims you have a refund due. Within split seconds, your mind is whirling - a windfall's a-comin' and there are a bazillion and one ways you'd like to use it. A down payment on a new car? A vacation? Slowly you rein in your thoughts. Tuition savings? Retirement Plan? OK, OK...pay down debt?

According to the Internal Revenue Service, about 75% of taxpayers will receive a refund on their 2006 returns, averaging more than \$2,800. While it's not a massive amount, it may be the largest non-salary chunk of change you'll receive this year and it deserves thoughtful consideration. A new toy may be a temptation, but your more practical side may want to weigh options that will help you improve your financial picture.

1. Clear away debt. Average standard credit card rates are now running from 13% to 15%, according to Bankrate.com, and many store cards are well above 20%. Paying down your highest rate balances first can help you save substantial interest over time.

2. Begin or add to an emergency account. Many financial experts recommend amassing at least three months' worth of expenses to offset a monetary setback or unplanned major purchase. By contributing to a liquid fund such as a money market account, you'll help avoid charging expenses and racking up debt (see above).

3. Invest long-term. If you have your debts under control and emergency cash on hand, the next best move may be to invest long-term for potentially higher return. You may want to leverage your investment even more with a tax-advantaged option, such as an individual retirement account or your employer-sponsored retirement plan. A 401(k) plan that offers matching funds is essentially a source of free money. Check with your financial advisor to help determine the investment options that are best for you.

4. Remodel to increase your home's value. Your refund may not cover the cost of a major remodeling project, but consider using it to hire a professional to help determine what upgrades could bring the greatest return if and when you decide to move. Check out the Cost vs. Value Report 2006 at www.remodeling.hw.net for average amounts recouped. Be aware that the amounts apply to homes sold within a year of the remodel.

5. Refinance your ARM to a fixed rate. If you have an adjustable-rate mortgage that's nearing the end of the initial fixed rate period, now may be a good time to refinance to a conventional fixed-rate mortgage before your rate jumps. As a bonus, you'll gain peace of mind with a fixed rate and may find it easier to budget.



Send Money to Mexico Pronto!

Texas Gulf Bank now makes it quick, easy & inexpensive to send money to Mexico. Our new program, Directo a México, is the most convenient way to transfer your money to Mexico. The payments are low-cost, fast, and secure. In addition, Directo a México provides the best exchange rate in the market. The money is transferred from your bank account at Texas Gulf Bank, N.A. through the US Federal Reserve Banks (FRB) to Mexico where the Banco de México delivers it to all the beneficiaries' banks in Mexico. Your family in Mexico can receive the money in a bank account at a bank branch or at any ATM by using a debit card. The money is available to them the next banking day. Directo a México is convenient because you can make automated transfers - you tell Texas Gulf Bank the days that you want the transfers to be sent automatically and you won't have to go to the bank branch to stand in line. We are currently offering this service, through our Brazosport location located at 1400 Brazosport Blvd. in Freeport.



TGB *In the Community*

Volunteerism is a great way Texas Gulf Bank employees get to participate in their community. Look for us the next time you are out!

BACH ROLL & STROLL



This Spring employees strutted their stuff and helped raise money at the BACH Roll n Stroll on March 3 at the Brazos Mall.

RELAY FOR LIFE

On May 4 & 5, a team from TGB will help raise money for the American Cancer Society by participating in the Southern Brazoria County Relay for Life. If you would like to help support this effort, come by any Texas Gulf Bank location to buy a moon or star in memory or honor of a loved one.

BLOOD DRIVE



Did you know that every whole blood donation can save up to 3 lives? And the need for donations is great. The Texas Gulf Coast region needs 800 donations daily to save patients' lives. To assist

in meeting this need, TGB does its part by hosting mobile blood drives four times a year at its Clute and West Columbia locations. Employees donate as well as customers and any one from the public. The next blood drive will be held in June. Watch for signs at the branches for an exact date. Or, you can log on to www.giveblood.org to get more information or to make an appointment to give.

HOME EQUITY OR HOME IMPROVEMENT

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The benefit of this type of loan is that it guarantees that the work is done completely and correctly by a professional contractor. Since funds are disbursed in phases, you only pay interest on the amount that is funded, rather than the entire loan amount.

According to Irene Ocañas, Loan Officer at Texas Gulf Bank, N.A., "Home improvement loans are still very popular. They're a great way to make needed repairs or additions around the house, especially if you're considering a big project you couldn't handle by yourself." Good examples of using a home improvement loan are for house leveling or installing a swimming pool.

On the other hand, "Home Equity loans offer more flexibility in how the money borrowed is spent," Irene notes. In a Home Equity Loan, the borrower makes all the decisions about when and how the money is disbursed. In addition, fees for this type of loan are limited by Texas law, making closing costs relatively low.

Both types of loans currently offer attractive interest rates and flexible repayment terms. In some instances, interest accrued on these loans can be tax deductible. Contact your tax advisor for specific information on individual tax situations.

If you have questions about which loan would suit your situation best, a Texas Gulf Bank loan officer can easily help you weigh the options and make the decision that is best suited for you and your financial needs.



Texas Gulf Bank Directory

Locations

Angleton 849-2372
1717 N. Velasco, 77515

Brazosport 233-3536
1400 Brazosport Blvd, 77541

Clute 297-7211
1030 Dixie Dr., 77531

Lake Jackson 299-1308
203 This Way, 77566

Freeport 233-4401
200 W. 2nd St., 77541

West Columbia 345-1666
730 W. Brazos Ave, 77486

Q-Line 979-233-2900 or 979-849-2354

Nationwide Toll Free Line 800-467-7216

Website: www.texasgulfbank.com



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