

JUNE
2018

Leading for life



American Bank
MEMBER FDIC

   ambnk.com

Welcome

to the second edition of the American Bank newsletter.

A message from CEO, Rob Marwick



Now that spring has finally arrived in the Northland, it is time to pursue those projects that you have been contemplating. If you are considering some new home renovations, build a patio or a new garage or if you are looking to buy that new vehicle, boat, recreational vehicle, or motorcycle, American Bank has the right financial solution to make your dreams a reality. With the economy improving and interest rates rising, now is the time to lock in a great low interest rate on a new home purchase or refinance.

Please take some time to visit one of our several mortgage loan professionals and review your options. I encourage you to visit one of our convenient nine branch locations across the Iron Range or visit us at www.ambnk.com.

As you are aware, technological innovation has impacted several sectors across our economy. Most notably is how firms like Amazon have changed the retail shopping landscape. Consumers are changing the way that they shop for goods and services. This is causing existing retail stores and malls to rethink their business models and value propositions. The same is true for banking industry as we are seeing new competition from the Fintech companies and non-bank financial service companies. Our customers are changing the way they wish to conduct their banking and financial transactions and this is confirmed by the way they interact with our bank. While the level of teller transactions in our traditional branches continues to decline in line with the trends of our industry, we at American Bank are seeing increased usage in internet banking, mobile banking, ATMs, and remote deposit capture. Consumers no longer need to go into a branch to deposit a check – they can simply deposit it by taking a picture of the check with their smartphone and deposit it electronically. Our customers now determine when, where, and how they will bank with us. Given the changes in the banking industry and with new technology changes, rest assured that American Bank is investing in new technology and infrastructure so that we are able to provide the types of banking and financial services that our customers expect now and in the future.

Stay tuned as we look to enhance our customer experience!

INSIDE THIS ISSUE

First Time Home Buyers Info	2
Road Tripping Tips	4
American Bank Debit Card	5
American Bank Credit Card	5
Locations & ATMs	6

5 Essential Money Moves for First-Time Homebuyers

Buying a house can be thrilling and nerve-wracking for a first-time buyer. The learning curve is steep, but doing a little financial homework will help you navigate the process.

Take these five steps to make your home buying experience go smoothly.

1. *Check your credit*

The homebuyer's credit score is one of the most important factors in qualifying for a loan.

Just because you pay your bills on time every month doesn't mean you have excellent credit. The amount of credit you're using compared with your available credit limit, known as your credit utilization ratio, can hurt or help your overall credit score.

The lower the utilization rate, the higher your score. Ideally, first-time homebuyers should have a lot of credit available, with less than a third of it used.

But if you owe more compared with your income than lenders like to see, your credit may need work. Start tidying up your credit at least six months before you start shopping for a house.

2. *Evaluate assets and liabilities*

So you don't owe too much money and your payments are up to date. But how do you spend your money? Do you have a lot left over every month, or are you on a shoestring budget?

A first-time homebuyer should have a solid idea of what is owed and what is coming in.

Buyers also should have an idea of how lenders will view their income, and that requires becoming familiar with the basics of mortgage lending. For instance, some workers who are self-employed or work on straight commission may have a harder time getting a loan than others.

3. *Organize documents*

When applying for a mortgage, homebuyers must have proof of income and taxes.

Mortgage lenders typically request two recent pay stubs, W-2s from the previous two years, tax returns and bank statements from the past two months.

4. *Qualify yourself*

As a first-time homebuyer, you should know already how much you can afford to spend before the mortgage lender tells you how much you qualify for. We have many different calculators you can use:

<https://www.ambnk.com/calculator/menu>

By calculating debt-to-income ratio and factoring in a down payment, you will have a good idea of what you can afford, both upfront and monthly.

A standard rule for lenders is that monthly housing expenses should consume no more than 28 percent of your gross income. This percentage is called the front-end ratio.

Continue to Next Page

Continued from Page 2

The back-end ratio includes all debts, including housing expenses, credit cards, car loan, etc. This ratio should be 36 percent or less, but some borrowers get mortgage approval with back-end ratios of 45 percent or higher.

5. Figure out your down payment

It takes effort to scrape together the down payment. There are programs that can offer financial assistance to help buyers qualify.

Finally, talk to mortgage lenders when you're starting the process.

Information from Bankrate.com

**American Bank knows home buying is a big decision.
As a community bank, we're here to help you along the way
and make your home buying experience a great one!**

Moving Trailer - forget the headache of specific pick up and drop off times of a moving trailer. We have one at your disposal when you have your mortgage with American Bank.



Mortgage Specialist – knowledge is key during the home buying process. Casey or Heather will guide you from the application process to the closing.



Casey Hinnenkamp

Mortgage Loan Originator
Hibbing
NMLS #1726163
218.231.8963 (direct)
218.316.2980 (cell)
chinnenkamp@ambnk.com



Heather Surla

Mortgage Loan Originator
Mt. Iron
NMLS #1643490
218.735.3773 (direct)
218.750.7922 (cell)
hsurla@ambnk.com

www.ambnk.com



Road Tripping Tips



Before hitting the open road be sure to do your road trip research.

Car Safety - Prepping for Your Trip

Cellular Security: To stay in touch with work and home, as well as handle unexpected events on the road, a cell phone is essential. Before leaving on your trip, ask your service provider about roaming fees and countrywide coverage.

Overall Checkup: Whether you do it yourself or go to a garage, pre-trip auto maintenance is key to comfortable cruising. Check the wiper blades, all fluid levels (oil, water, etc.), belt and hose connections, tire pressure, turn signals,

horn and headlights. If your car is still not instilling confidence, consider an all-out professional inspection.

Spare Care: Just because you have a spare tire doesn't mean it's in working order. Give it a good look before hitting the road to ensure it is properly pumped and the treads are intact. If you've got the space, swap out doughnut tires for a full-size spare.

Calculating Gas Mileage

Fuel costs are one of the easiest road-trip expenditures to calculate in advance. And knowing how much you're likely to spend driving from Point A to Point B goes a long way when it comes to deciding whether to include detours along your route.

If you know how many miles your car generally gets per gallon, it's easy to measure estimated fuel costs. You can reference a site such as AAA's Fuel Cost Calculator, inputting your vehicle make and model and your trip's start and end points to get an estimate of the overall gas costs.

Surviving a Road Trip with Kids

For families traveling with young kids in tow, that redundant "Are we there yet?" mantra can spin you into insanity. Here are a few hints to help divert attention elsewhere:

Start a scavenger Hunt: Prevent back-seat brawls by giving young passengers a list of items to look for along the road. In cities, think flashing traffic lights or black-and-white pedestrian crosswalks. In the countryside, have them scout for a grain silo or a cow that's lying down. The more elusive the items, the longer the fun will last.

Play the License Plate Game: This perennial road-trip favorite is sure to keep them focused (for a while, anyway); you can up the ante by awarding bonus points for sightings of license plates from Mexico, Hawaii and Canada.

Music to the Rescue: A family sing-a-long can neutralize nitpicking by putting the focus elsewhere. When things get chaotic, switching to classical music or talk shows with calm personalities can lead to an overall calming effect in the car.

Packing Prowess

When you've got an entire car, SUV, RV or minivan for a suitcase, the impulse can be to bring along everything. Lighten your load (and increase your gas mileage) by keeping these tips in mind:

When it comes to clothes, less is more. You don't need every pair of jeans in your wardrobe, nor scores of socks. One perk of having your own wheels is that a fresh set of clothes is as close as the nearest laundry mat.

Stick to 1 bag per person. The 1-suitcase rule is ace for preventing over packing. Avoid bulky hard-case suitcases if possible; opt instead for soft duffel bags and backpacks, which can be more easily squeezed into limited trunk space.

Continue to Next Page

Continued from Page 3

Keep the essentials within reach. A sturdy canvas bag kept within easy reach of the front seat and stocked with items such as road maps, games for the kids kept in plastic baggies, a first-aid kit, sunglasses, hand wipes and a pocket knife will make dealing with surprises on the road easier. Don't forget blankets and travel pillows for sleepy passengers.

Classic Road Trip Eats

A well-stocked cooler is to the road trip what in-flight entertainment is to a trans-Atlantic haul - it's nearly impossible to imagine the journey without it.

Trail Mix: Make your own by combining dried fruit with pretzels, nuts, chocolate chips and granola for an energy-packed snack.

Bottled water and juice boxes: Individual frozen bottles of water and juice boxes work double duty, quenching thirst while keeping cooler contents on ice at the same time.

Hard-boiled eggs: Protein-packed and easy to eat, they're the ideal road-trip snack.

Cut veggies: Baby carrots, celery sticks, radishes, sliced green pepper and cherry tomatoes (neatly packed in Tupperware) are easy to pass around the car to share.

Information provided by travelchannel.com

Spruce Up this Spring & Save Home Improvement. Improved.

Get your surroundings looking sensational with a little help from your American Bank Visa® Debit Card. Now through **June 30th** gain access to a wide variety of offers and deals, including travel, food and wine, dining, shopping, sports, entertainment and more when you use your American Bank Visa® Debit Card to make your purchase. For more information and to redeem the offers, please visit: visa.com/discounts



For more information on our American Bank Visa® Debit Card, visit: <https://www.ambnk.com/visa-debit-cards>

Charitable Scorecard® Donations

American Bank is pleased to announce the newest addition to our Scorecard® Rewards Program. American Bank credit card holders can now **GIVE** locally by redeeming your Scorecard® points and applying the funds as a donation to one of these local charities/organizations.



**First Call 211 | The Angel Fund | Care Partners |
American Bear Association | Mighty Mutts**

Call any of our branches or stop in and ask one of our team members how to redeem your points.

<https://www.ambnk.com/visa-credit-cards>

American Bank Locations and ATMs

American Bank is privately held and a subsidiary of Mesaba Bancshares, a multi-bank holding company. We have 9 branch offices and 3 administration offices throughout Northeastern Minnesota.

Grand Rapids North

428 NW 4th Ave
Grand Rapids, MN 55744
218.327.0818
M-F 8:30am-5pm
Drive Up: M-F 8am-5:30pm
Saturday Drive Up: 8am-12pm
24-Hour ATM

Grand Rapids South

1215 S Pokegama Ave
Grand Rapids, MN 55744
218.327.1121
M-F 8:30am-5pm
Drive Up: M-F 8am-6pm
Saturday Drive Up: 10am-2pm
24-Hour ATM

Nashwauk

117 Central Ave
Nashwauk, MN 55769
218.885.2278
M-F 8:30am-5pm
Drive Up: M-F 8:30am-5pm
24-Hour ATM

Hibbing

2015 E 3rd Ave
Hibbing, MN 55746
218.262.5000
M-F 8:30am-5pm
Drive Up: M-F 8am-6pm
Saturday Drive Up: 9am-1pm
24-Hour ATM

Chisholm

231 W Lake St
Chisholm, MN 55719
218.254.3341
M-F 9am-4pm
24-Hour ATM

Mt Iron

8401 Unity Drive
Mt Iron, MN 55768
218.741.0816
M-F 8:30am-5pm
Drive Up: M-F 8am-6pm
24-Hour ATM

Biwabik

211 N Main St
Biwabik, MN 55708
218.865.6345
M-F 10am-4pm

Cook

128 Hwy 53 SE
Cook, MN 55723
218.666.0393
M-F 8:30am-5pm
Drive Up: M-F 8am-5pm
24-Hour ATM

Orr

4539 Hwy 53
Orr, MN 55771
218.757.0121
M-F 10am-4pm



We have 33,000 more reasons to use your American Bank Visa® ATM/Debit Card!



Did you know you can use your American Bank Visa ATM/Debit card surcharge free at over 33,000 locations in the United States? We are part of the MoneyPass ATM Network. Download their app or go to their website to find one near you as you travel.

<https://www.moneypass.com/index.html>

We also partnered with Lucky Seven General Stores. You can withdraw money at any of their locations surcharge free.

Flying from Range Regional Airport? Enjoy the convenience of our ATM located inside the airport!

