

CUNA Idaho
**MEMBERSHIP BENEFITS
REPORT**

Idaho

The Benefits of Membership

Credit unions generally provide financial benefits to members through lower loan rates, high savings rates, and fewer fees than banking institutions.

The Credit Union National Association (CUNA) estimates that Idaho credit unions provided \$76,978,691 in direct financial benefits to the state's 784,889 members during the twelve months ending June 2017.

These benefits are equivalent to \$98 per member or \$186 per member household ⁽¹⁾.

Estimated total benefits of credit union membership are calculated by accounting for differences in credit union and bank pricing. Specifically, average credit union savings account yields, loan interest rates and fees are compared to average bank savings account yields, loan interest rates and fees. The interest rate differences are then applied to respective average credit union loan and savings balances. Fee differences are weighted and applied to credit union non-interest income to obtain the total estimated benefits arising from fees.

The per-member and per-household benefits delivered by Idaho credit unions are substantial, but these benefits are averages. Mathematically, that means the total benefits provided are divided across all members (or all member households) - even those who conduct very little financial business with Idaho credit unions.

Consider this:

Financing a \$25,000 new automobile for 60 months at a Idaho credit union will save members an average \$115 per year in interest expense compared to what they would pay at a banking institution in the state.

Further, loyal members - those who use the credit union extensively - often receive total financial benefits that are much greater than the average.

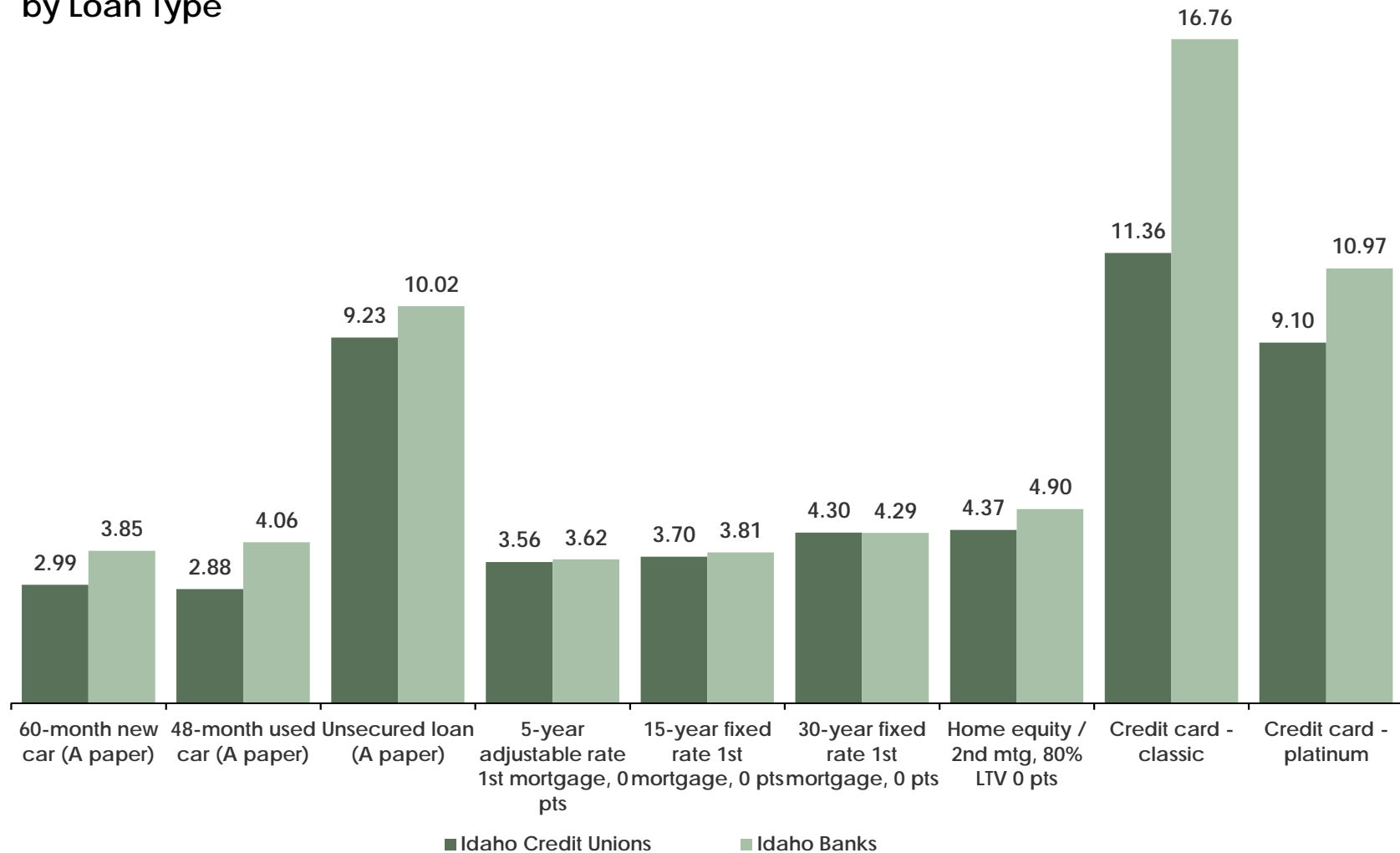
Idaho credit unions excel in providing member benefits on many loan and savings products. In particular, Idaho credit unions offer lower average loan rates on the following accounts: new car loans, used car loans, personal unsecured loans, first mortgage-fixed rate, first mortgage-adjustable rate, home equity loans, credit cards loans.

Idaho credit unions also pay members higher average dividends on the following accounts: regular savings, share draft checking, money market accounts, certificate accounts, IRAs.



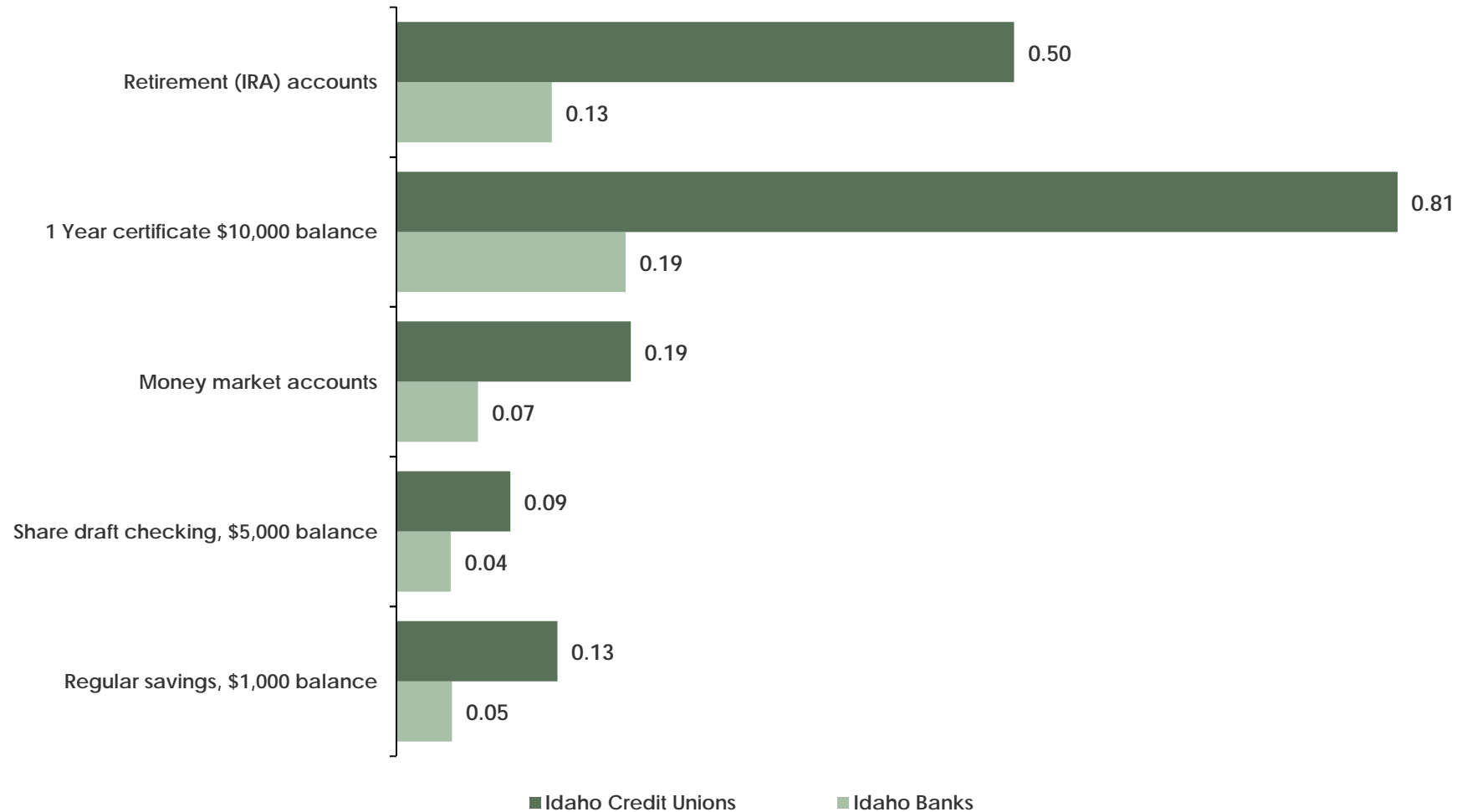
Loan Product Comparative Interest Rates (%)

by Loan Type



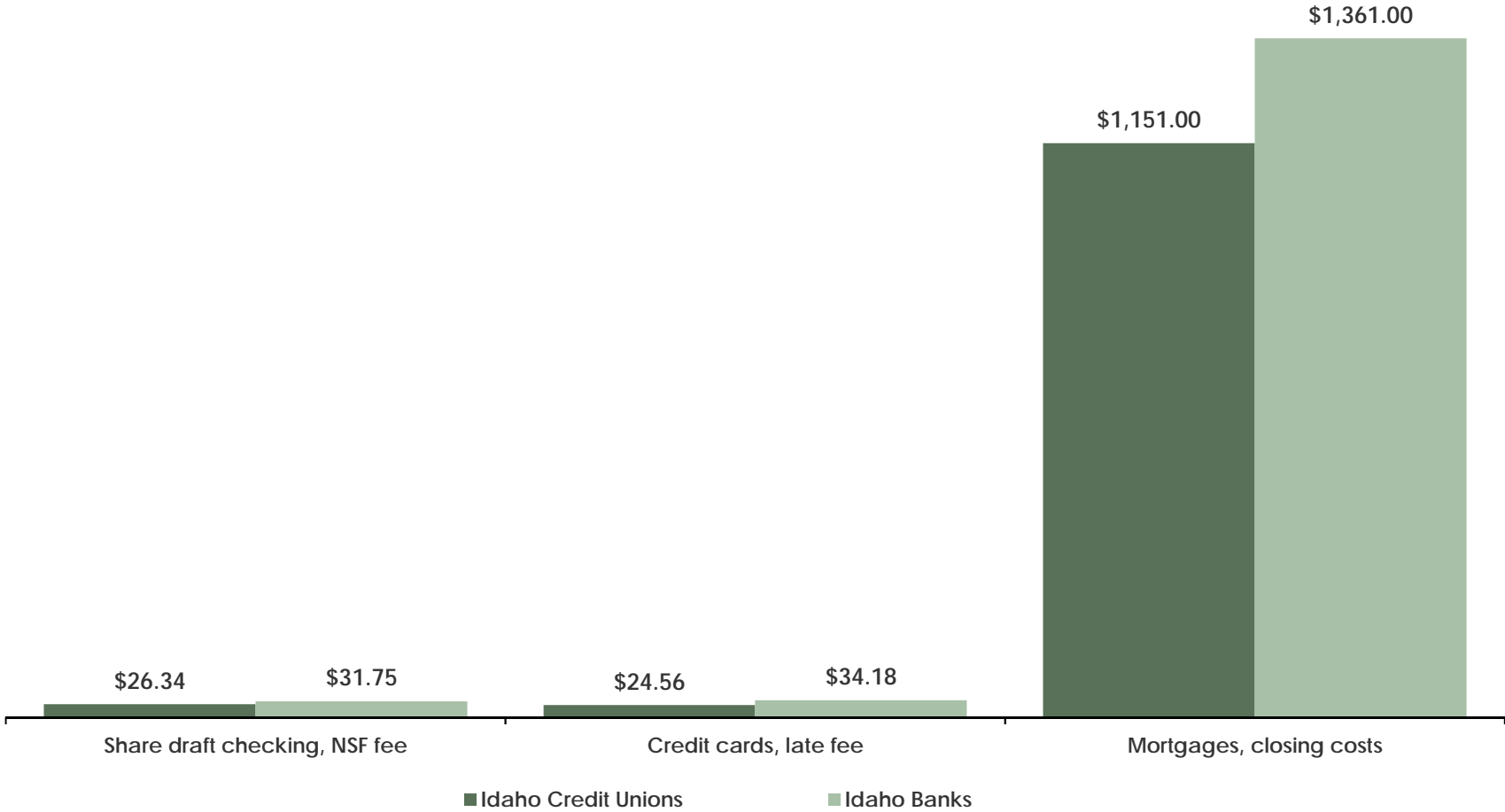
Savings Product Comparative Interest Rates (%)

by Savings Account Type



Comparative Fees

by Type



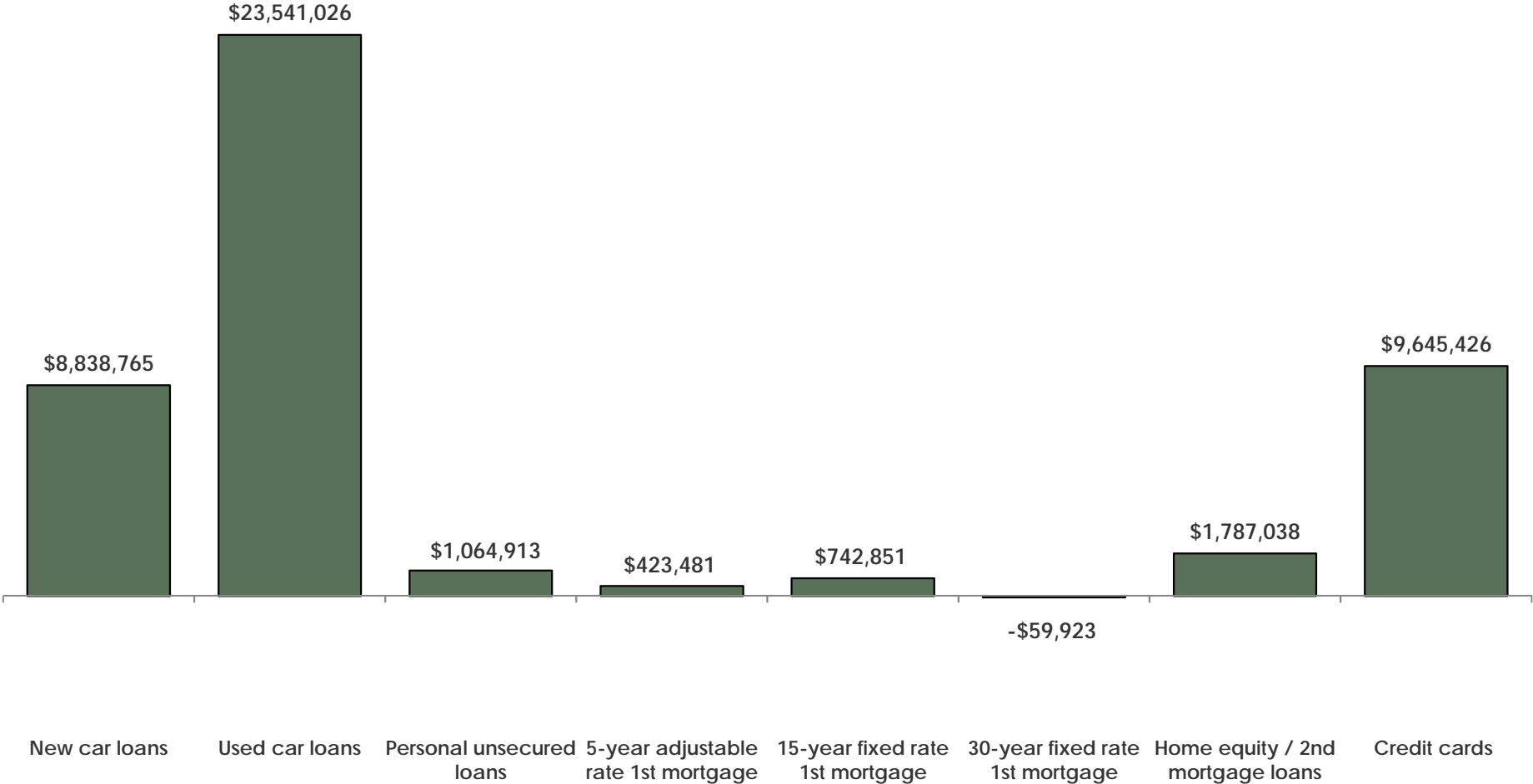
Idaho Credit Union and Banking Institution June 2017 Average Interest Rates and Fees

Loan Products	Average Rate at Credit Unions (%)	Average Rate at Banks (%)	Rate Difference vs. Banks (%)
60-month new car (A paper)	2.99	3.85	-0.86
48-month used car (A paper)	2.88	4.06	-1.18
Unsecured loan (A paper)	9.23	10.02	-0.79
5-year adjustable rate 1st mortgage, 0 pts	3.56	3.62	-0.06
15-year fixed rate 1st mortgage, 0 pts	3.70	3.81	-0.11
30-year fixed rate 1st mortgage, 0 pts	4.30	4.29	0.01
Home equity / 2nd mtg, 80% LTV 0 pts	4.37	4.90	-0.53
Credit card - classic	11.36	16.76	-5.40
Credit card - platinum	9.10	10.97	-1.87
Savings Products			
Regular savings, \$1,000 balance	0.13	0.05	0.09
Share draft checking, \$5,000 balance	0.09	0.04	0.05
Money market accounts	0.19	0.07	0.12
1 Year certificate \$10,000 balance	0.81	0.19	0.62
Retirement (IRA) accounts	0.50	0.13	0.37
Fee Income			
Share draft checking, NSF fee	\$26.34	\$31.75	-\$5.41
Credit cards, late fee	\$24.56	\$34.18	-\$9.62
Mortgages, closing costs	\$1,151.00	\$1,361.00	-\$210.00

Source: Datatrac

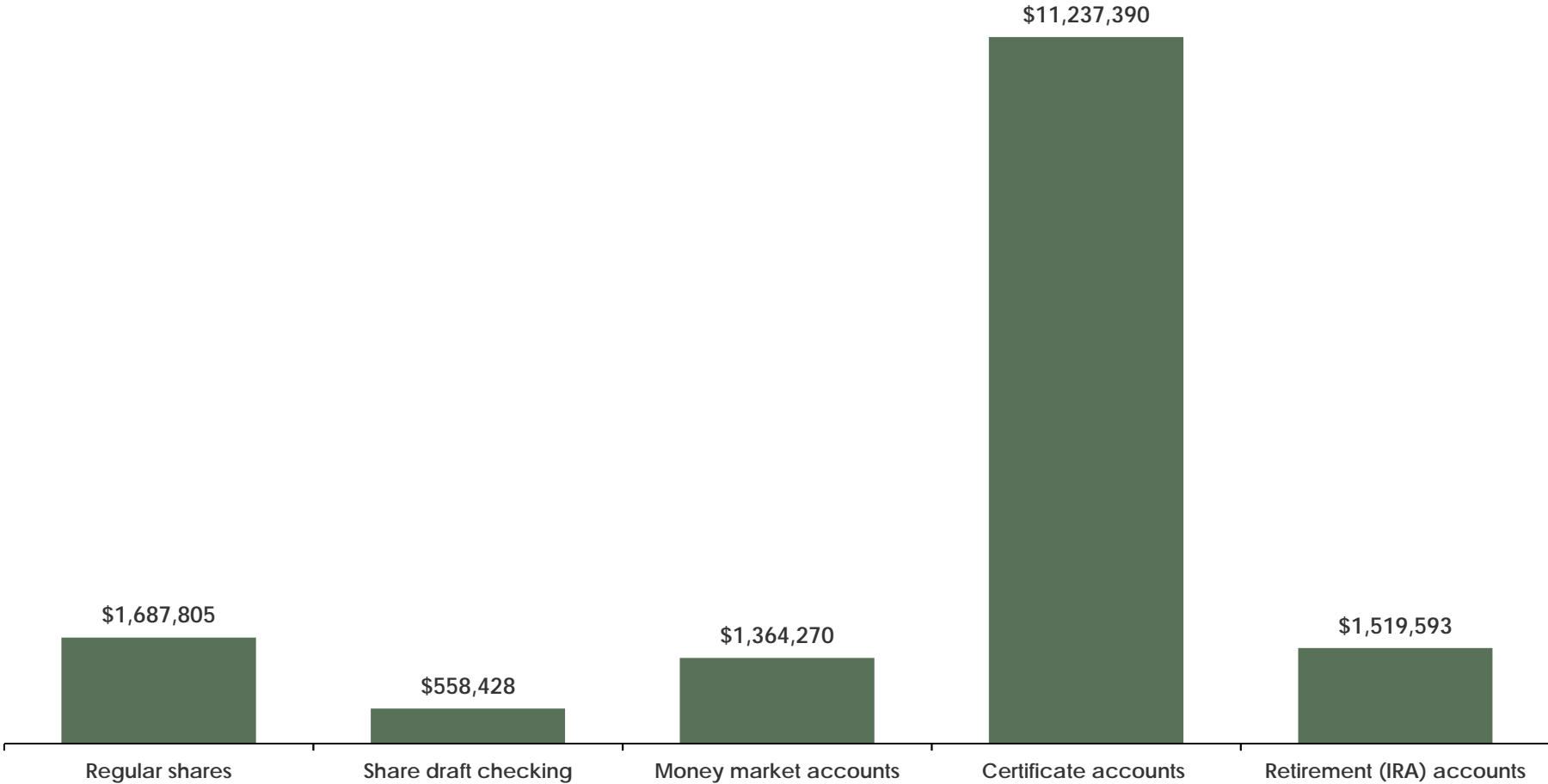
State Credit Union's Total Loan Rate Benefits

Compared to State Banking Institutions
by Loan Type



State Credit Union's Total Savings Dividend Benefits

Compared to State Banking Institutions
by Account Type



Estimated Financial Benefits for Idaho Credit Unions June 2017

Loans	Avg. Balance at Credit Unions (1)	Rate Difference vs. Idaho Banks (%) (2)	Total Financial Benefit to Your Members
New car loans	1,030,159,058	-0.86	\$8,838,765
Used car loans	1,995,002,189	-1.18	\$23,541,026
Personal unsecured loans	134,289,156	-0.79	\$1,064,913
5-year adjustable rate 1st mortgage	661,689,073	-0.06	\$423,481
15-year fixed rate 1st mortgage	687,824,905	-0.11	\$742,851
30-year fixed rate 1st mortgage	599,229,908	0.01	-\$59,923
Home equity / 2nd mortgage loans	339,741,097	-0.53	\$1,787,038
Credit cards	213,512,483	-5.40	\$9,645,426
Interest rebates			\$0
Total CU member benefits arising from lower interest rates on loan products:			\$45,983,577
Savings			
Regular shares	1,985,653,167	0.09	\$1,687,805
Share draft checking	1,163,391,857	0.05	\$558,428
Money market accounts	1,109,162,818	0.12	\$1,364,270
Certificate accounts	1,806,654,418	0.62	\$11,237,390
Retirement (IRA) accounts	407,944,354	0.37	\$1,519,593
Bonus dividends in period			\$0
Total CU member benefit arising from higher interest rates on savings products:			\$16,367,487
Fee Income			
Total CU member benefit arising from fewer / lower fees:			\$14,627,628
Total CU member benefit arising from interest rates on loans, savings products and lower fees:			\$76,978,691
Total CU member benefit / member:			\$98
Total CU member benefit / member household:			\$186

Source: Datatrac, NCUA, and CUNA

(1) Average balance as of June 2017 and June 2016, according to the NCUA call report.; (2) Source for rates and fees: Datatrac;

Membership Benefits Report

CUNA Economics and Statistics

Idaho Credit Union Performance Profile

Demographic Information	Jun 17	Jun 16
Number of branches	184	183
Total assets (\$ mil)	8,288	7,321
Total loans (\$ mil)	6,929	6,027
Total surplus funds (\$ mil)	858	860
Total savings (\$ mil)	7,195	6,321
Total members (thousands)	816	757
Growth Rates (Trailing 12 months) *		
Total assets	13.6 %	12.9 %
Total loans	15.1 %	15.1 %
Total surplus funds	1.4 %	-0.5 %
Total savings	14.2 %	13.4 %
Total members	8.4 %	8.7 %
Earnings - Basis Pts. *		
Yield on total assets	338	335
Dividend / interest cost of assets	58	56
Fee & other income	184	192
Operating expense	336	342
Loss Provisions	34	28
Net Income (ROA) after stabilization exp	94	101
Capital Adequacy		
Net worth / assets	9.4	9.6
Asset Quality *		
Delinquencies / loans	0.5	0.4
Net chargeoffs / average loans	0.3	0.3
Total borrower-bankruptcies	19	15
Bankruptcies per 1000 members	0.8	0.7
Asset/Liability Management		
Loans / savings	96.3	95.3
Loans / assets	83.6	82.3
Long-term assets / assets	29.7	28.4
Core deposits/shares & borrowings	47.5	45.3
Productivity		
Members / potential members	7.9	7.6
Borrowers / members	62.3	58.9
Members / FTE	340	349
Average shares / members (\$)	8,813	8,353
Average loan balances (\$)	13,616	13,523
Salary & Benefits / FTE	63,178	63,005

* Earnings, net chargeoffs, and bankruptcies are year-to-date numbers annualized. Due to significant seasonal variation, balance sheet growth rates are for the trailing 12 months.