

CUNA Maine
**MEMBERSHIP BENEFITS
REPORT**



Maine

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 Maine credit unions provided \$58,697,799 in direct financial benefits to the state's 686,792 members during the twelve months ending June 2017.

These benefits are equivalent to \$85 per member or \$162 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 Maine 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 Maine credit unions.

Consider this:

Financing a \$25,000 new automobile for 60 months at a Maine credit union will save members an average \$238 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.

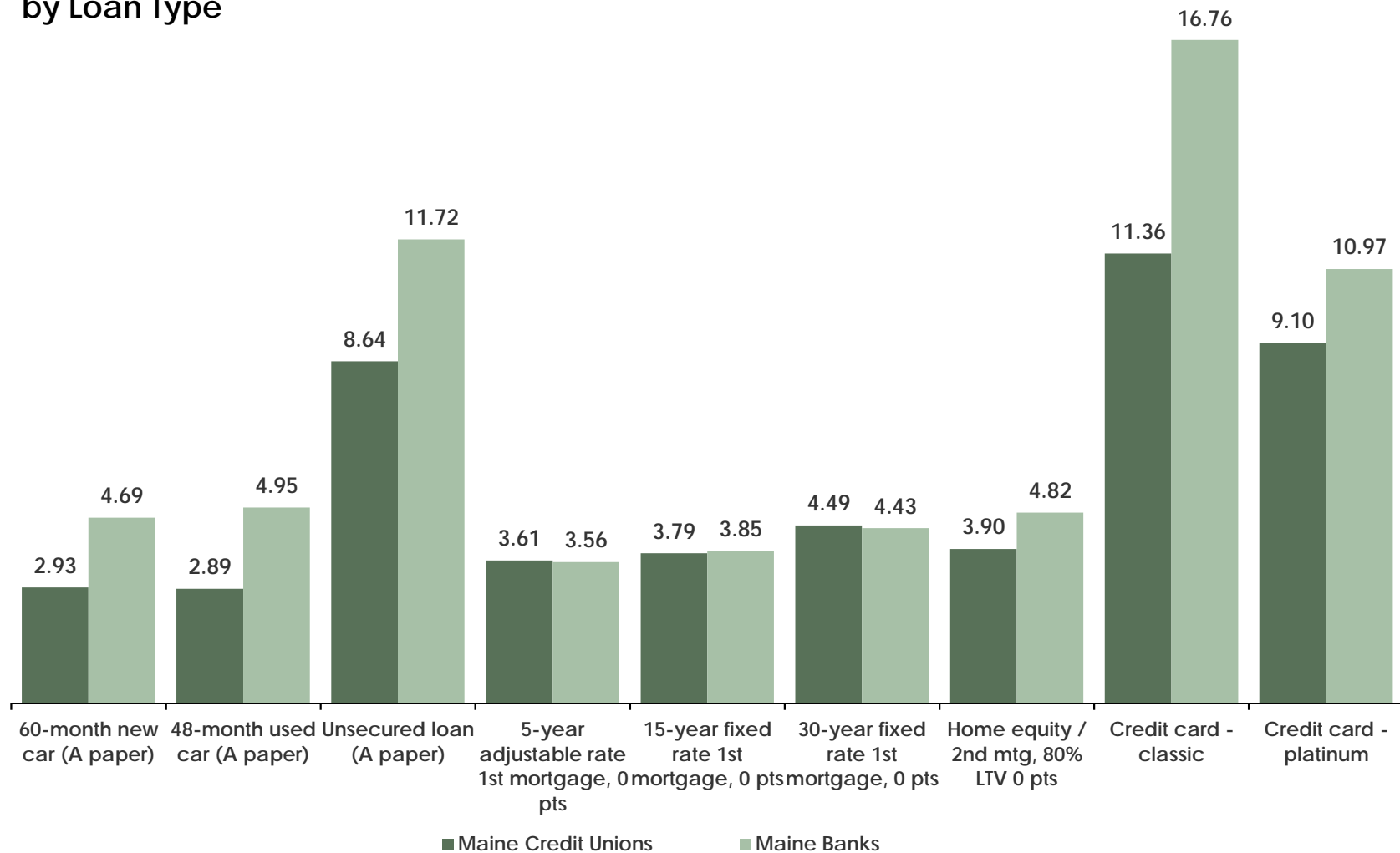
Maine credit unions excel in providing member benefits on many loan and savings products. In particular, Maine credit unions offer lower average loan rates on the following accounts: new car loans, used car loans, personal unsecured loans, home equity loans, **credit cards loans**.

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



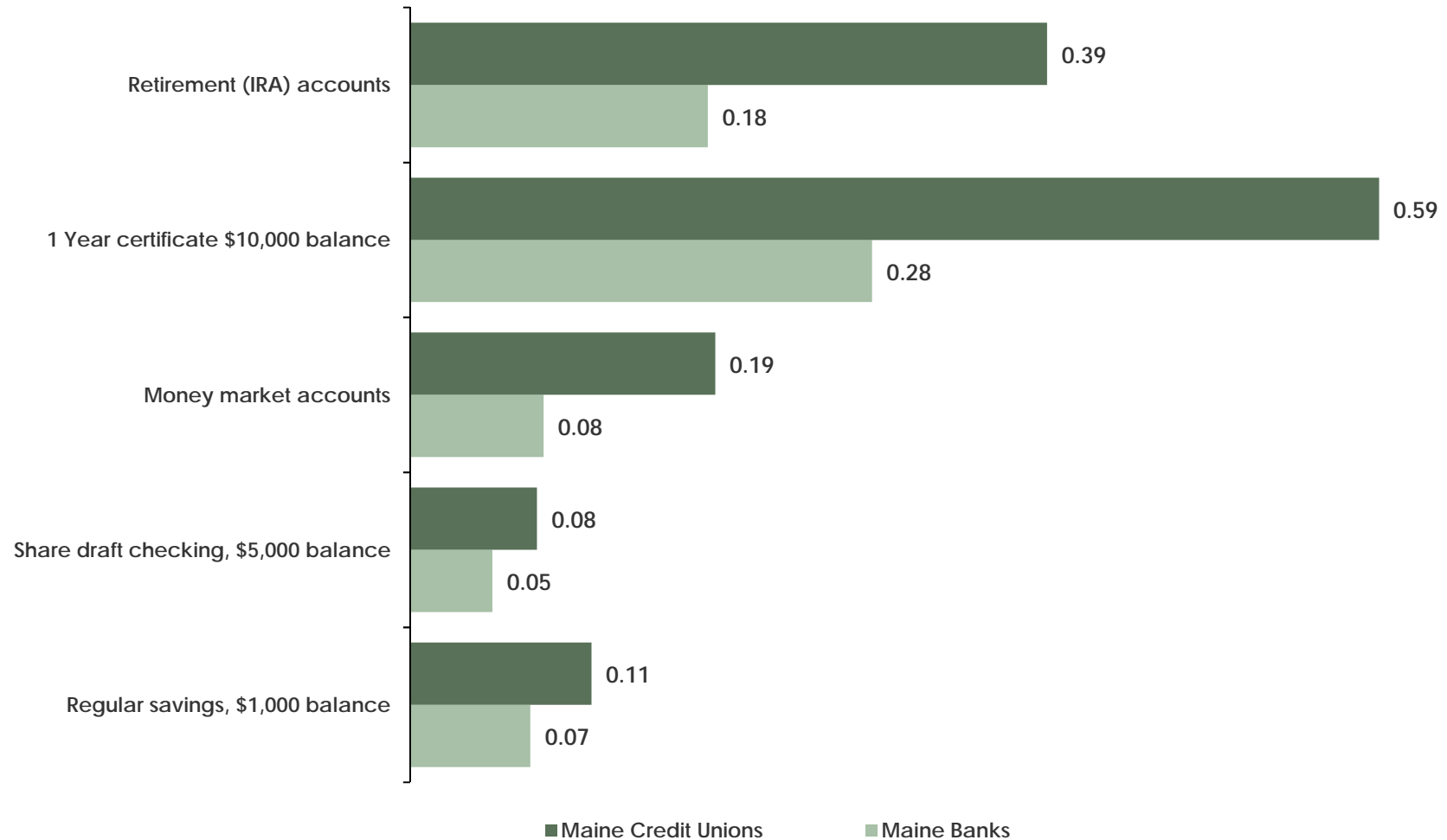
Loan Product Comparative Interest Rates (%)

by Loan Type



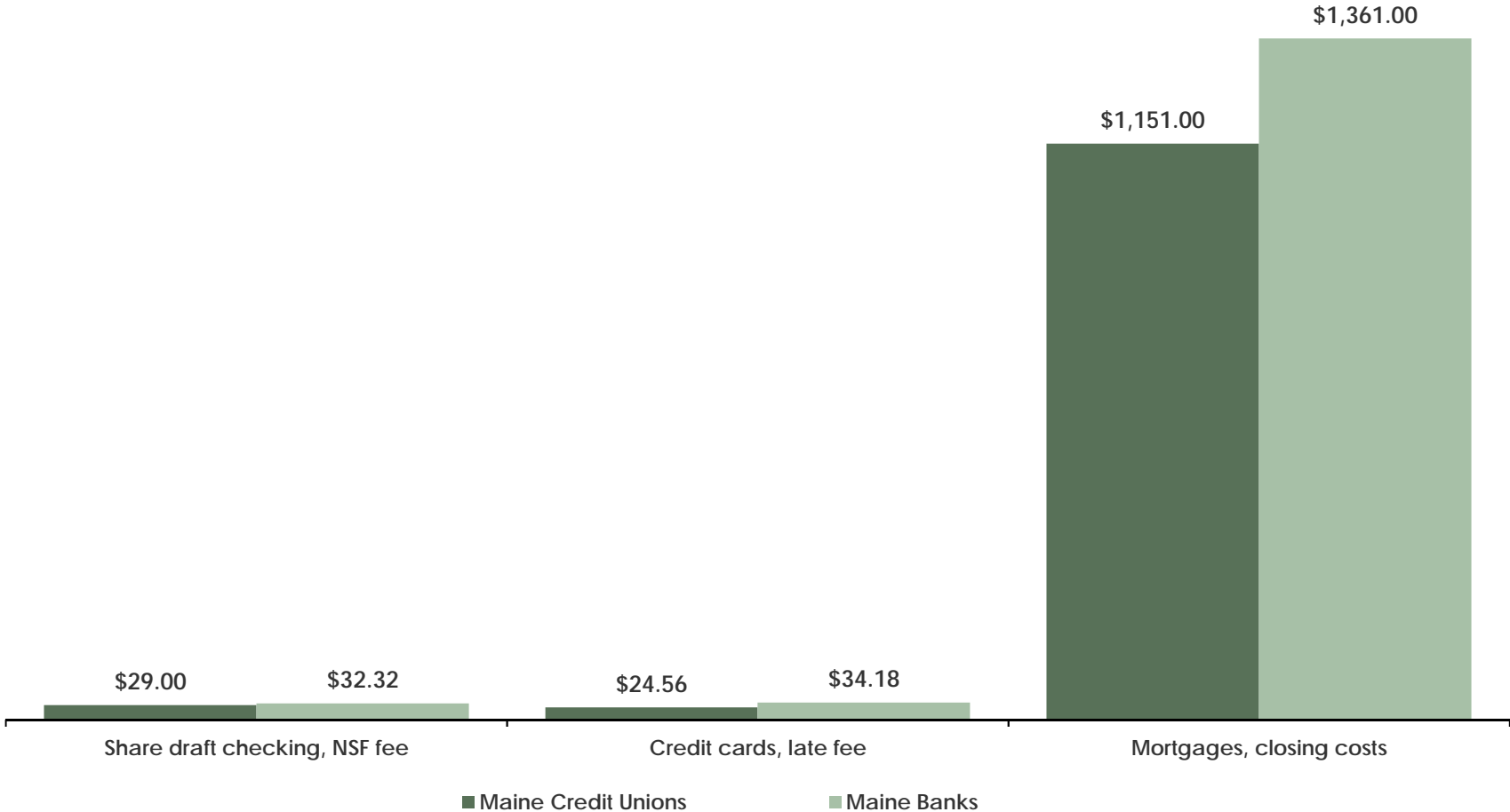
Savings Product Comparative Interest Rates (%)

by Savings Account Type



Comparative Fees

by Type



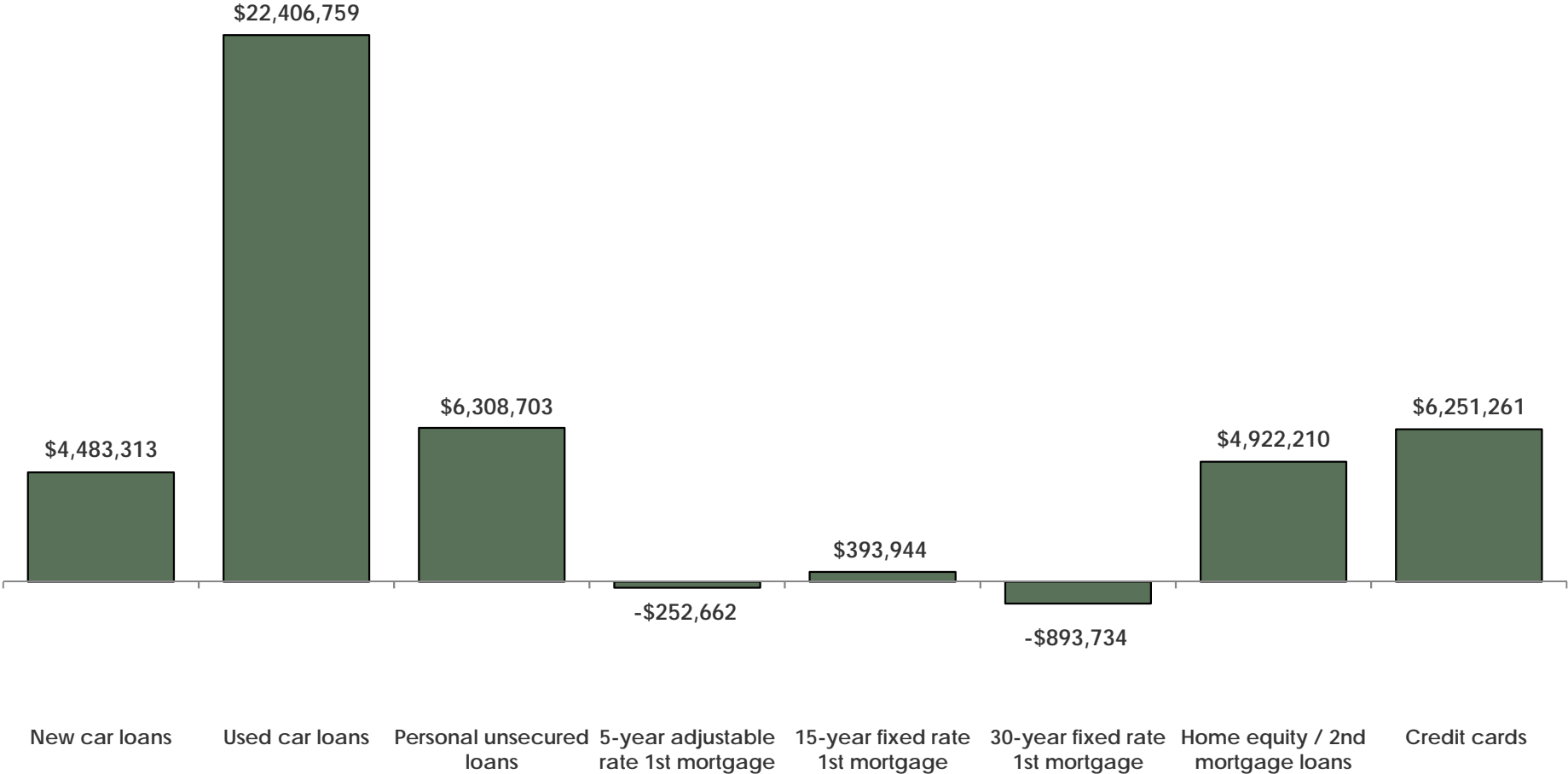
Maine Credit Union and Banking Institution June 2017 Average Interest Rates and Fees

Loan Products	Average Rate at Credit Unions (%)	Average Rate at Banks (%)	Rate Difference vs. Banks (%)
60-month new car (A paper)	2.93	4.69	-1.76
48-month used car (A paper)	2.89	4.95	-2.06
Unsecured loan (A paper)	8.64	11.72	-3.08
5-year adjustable rate 1st mortgage, 0 pts	3.61	3.56	0.04
15-year fixed rate 1st mortgage, 0 pts	3.79	3.85	-0.05
30-year fixed rate 1st mortgage, 0 pts	4.49	4.43	0.07
Home equity / 2nd mtg, 80% LTV 0 pts	3.90	4.82	-0.92
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	0.11	0.07	0.04
Share draft checking, \$5,000 balance	0.08	0.05	0.03
Money market accounts	0.19	0.08	0.10
1 Year certificate \$10,000 balance	0.59	0.28	0.31
Retirement (IRA) accounts	0.39	0.18	0.21
Fee Income			
Share draft checking, NSF fee	\$29.00	\$32.32	-\$3.32
Credit cards, late fee	\$24.56	\$34.18	-\$9.62
Mortgages, closing costs	\$1,151.00	\$1,361.00	-\$210.00

Source: Datatrac

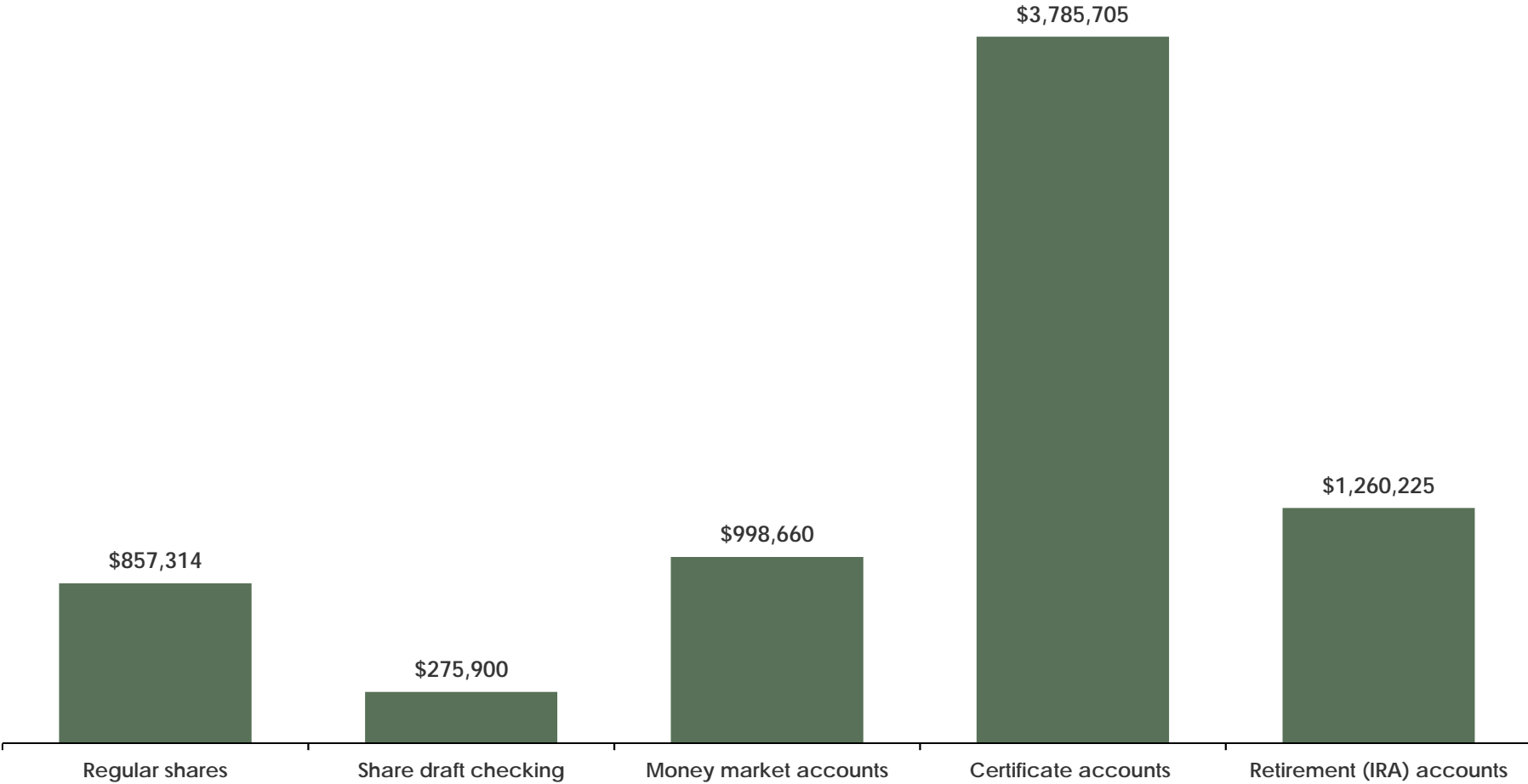
State Credit Union's Total Loan Rate Benefits

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 Maine Credit Unions June 2017

Loans	Avg. Balance at Credit Unions (1)	Rate Difference vs. Maine Banks (%) (2)	Total Financial Benefit to Your Members
New car loans	254,733,705	-1.76	\$4,483,313
Used car loans	1,089,293,120	-2.06	\$22,406,759
Personal unsecured loans	204,562,363	-3.08	\$6,308,703
5-year adjustable rate 1st mortgage	561,471,658	0.04	-\$252,662
15-year fixed rate 1st mortgage	743,290,776	-0.05	\$393,944
30-year fixed rate 1st mortgage	1,314,313,974	0.07	-\$893,734
Home equity / 2nd mortgage loans	536,188,468	-0.92	\$4,922,210
Credit cards	138,378,782	-5.40	\$6,251,261
Interest rebates			\$144,144
Total CU member benefits arising from lower interest rates on loan products:			\$43,763,940
<i>Savings</i>			
Regular shares	2,317,065,181	0.04	\$857,314
Share draft checking	1,021,853,510	0.03	\$275,900
Money market accounts	960,249,655	0.10	\$998,660
Certificate accounts	1,233,128,637	0.31	\$3,785,705
Retirement (IRA) accounts	613,248,133	0.21	\$1,260,225
Bonus dividends in period			\$0
Total CU member benefit arising from higher interest rates on savings products:			\$7,177,804
<i>Fee Income</i>			
Total CU member benefit arising from fewer / lower fees:			\$7,756,055
Total CU member benefit arising from interest rates on loans, savings products and lower fees:			\$58,697,799
Total CU member benefit / member:			\$85
Total CU member benefit / member household:			\$162

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

Maine Credit Union Performance Profile

Demographic Information	Jun 17	Jun 16
Number of branches	194	193
Total assets (\$ mil)	7,598	7,048
Total loans (\$ mil)	5,429	4,974
Total surplus funds (\$ mil)	1,769	1,687
Total savings (\$ mil)	6,519	6,029
Total members (thousands)	694	679
Growth Rates (Trailing 12 months) *		
Total assets	7.8 %	6.8 %
Total loans	9.1 %	9.3 %
Total surplus funds	4.8 %	-0.8 %
Total savings	8.1 %	7.6 %
Total members	2.2 %	3.6 %
Earnings - Basis Pts. *		
Yield on total assets	381	375
Dividend / interest cost of assets	49	49
Fee & other income	131	136
Operating expense	377	381
Loss Provisions	22	22
Net Income (ROA) after stabilization exp	64	59
Capital Adequacy		
Net worth / assets	10.5	10.7
Asset Quality *		
Delinquencies / loans	0.7	0.8
Net chargeoffs / average loans	0.3	0.3
Total borrower-bankruptcies	5	5
Bankruptcies per 1000 members	0.4	0.4
Asset/Liability Management		
Loans / savings	83.3	82.5
Loans / assets	71.4	70.6
Long-term assets / assets	41.4	41.5
Core deposits/shares & borrowings	52.6	50.9
Productivity		
Members / potential members	6.4	6.3
Borrowers / members	62.1	58.7
Members / FTE	317	319
Average shares / members (\$)	9,390	8,876
Average loan balances (\$)	12,582	12,481
Salary & Benefits / FTE	62,221	61,309

* 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.