

CUNA Missouri
**MEMBERSHIP BENEFITS
REPORT**



Missouri

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 Missouri credit unions provided \$122,420,479 in direct financial benefits to the state's 1,520,753 members during the twelve months ending June 2017.

These benefits are equivalent to \$80 per member or \$153 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 Missouri 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 Missouri credit unions.

Consider this:

Financing a \$25,000 new automobile for 60 months at a Missouri credit union will save members an average \$259 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.

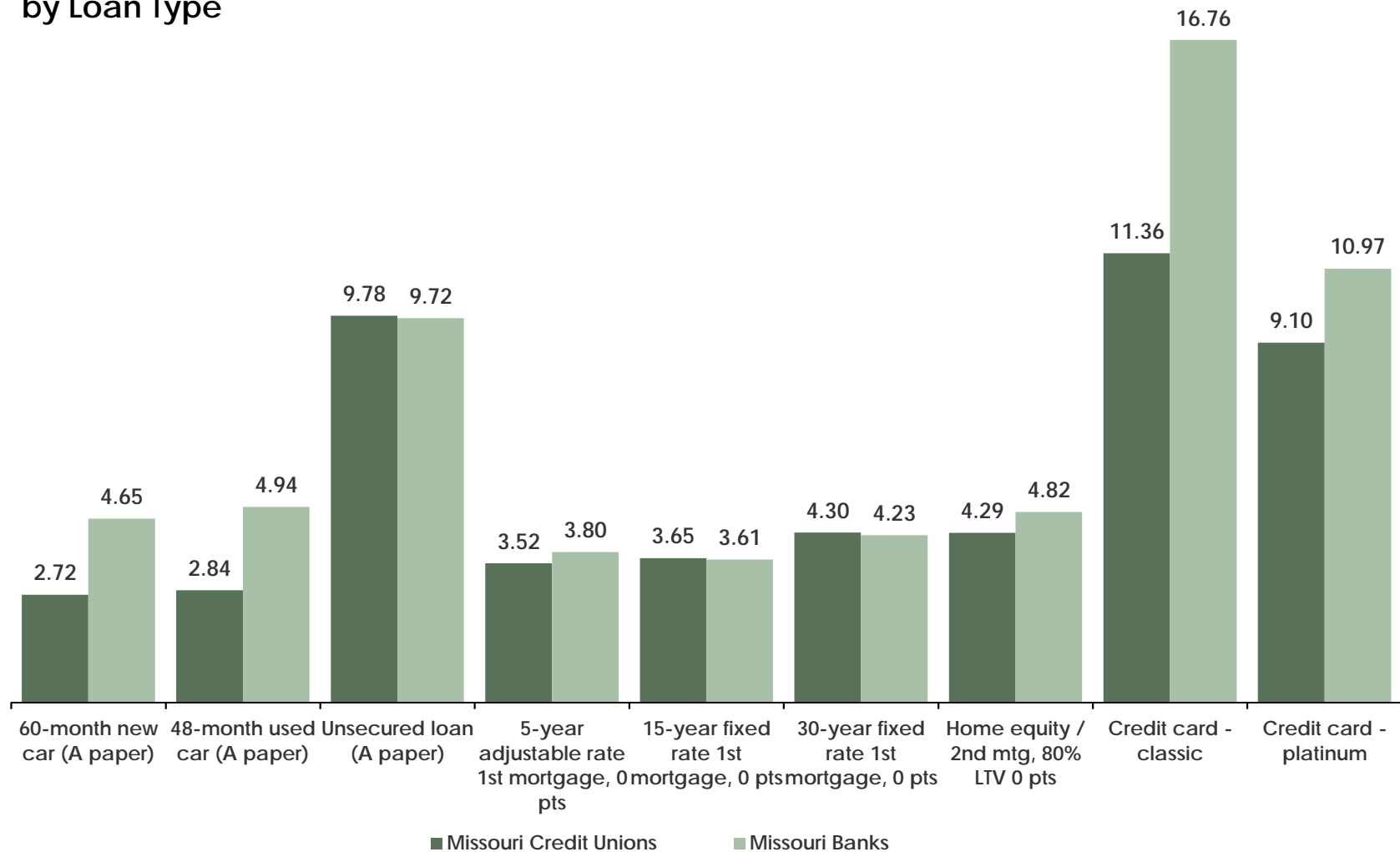
Missouri credit unions excel in providing member benefits on many loan and savings products. In particular, Missouri credit unions offer lower average loan rates on the following accounts: new car loans, used car loans, first mortgage-adjustable rate, home equity loans, **credit cards loans**.

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



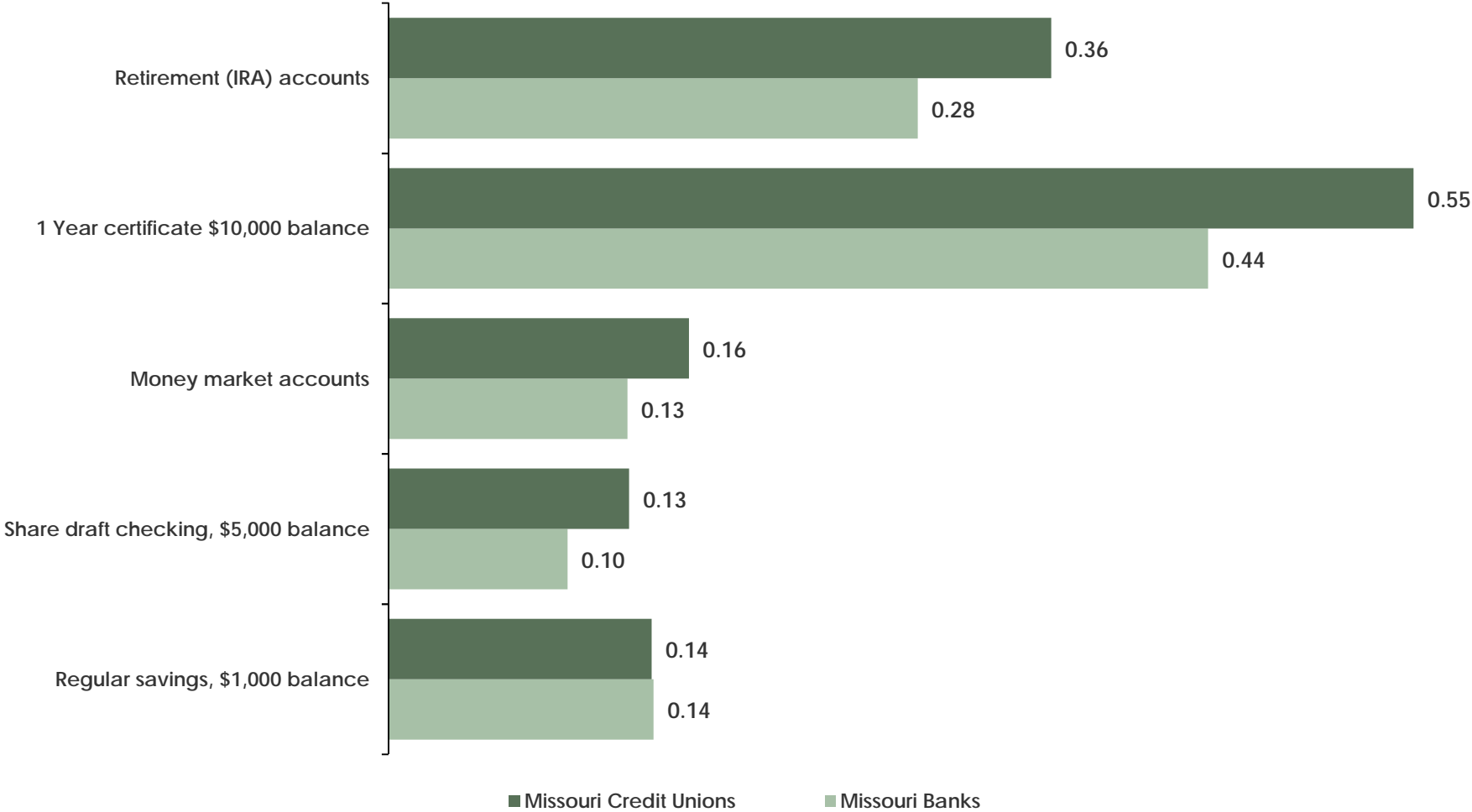
Loan Product Comparative Interest Rates (%)

by Loan Type



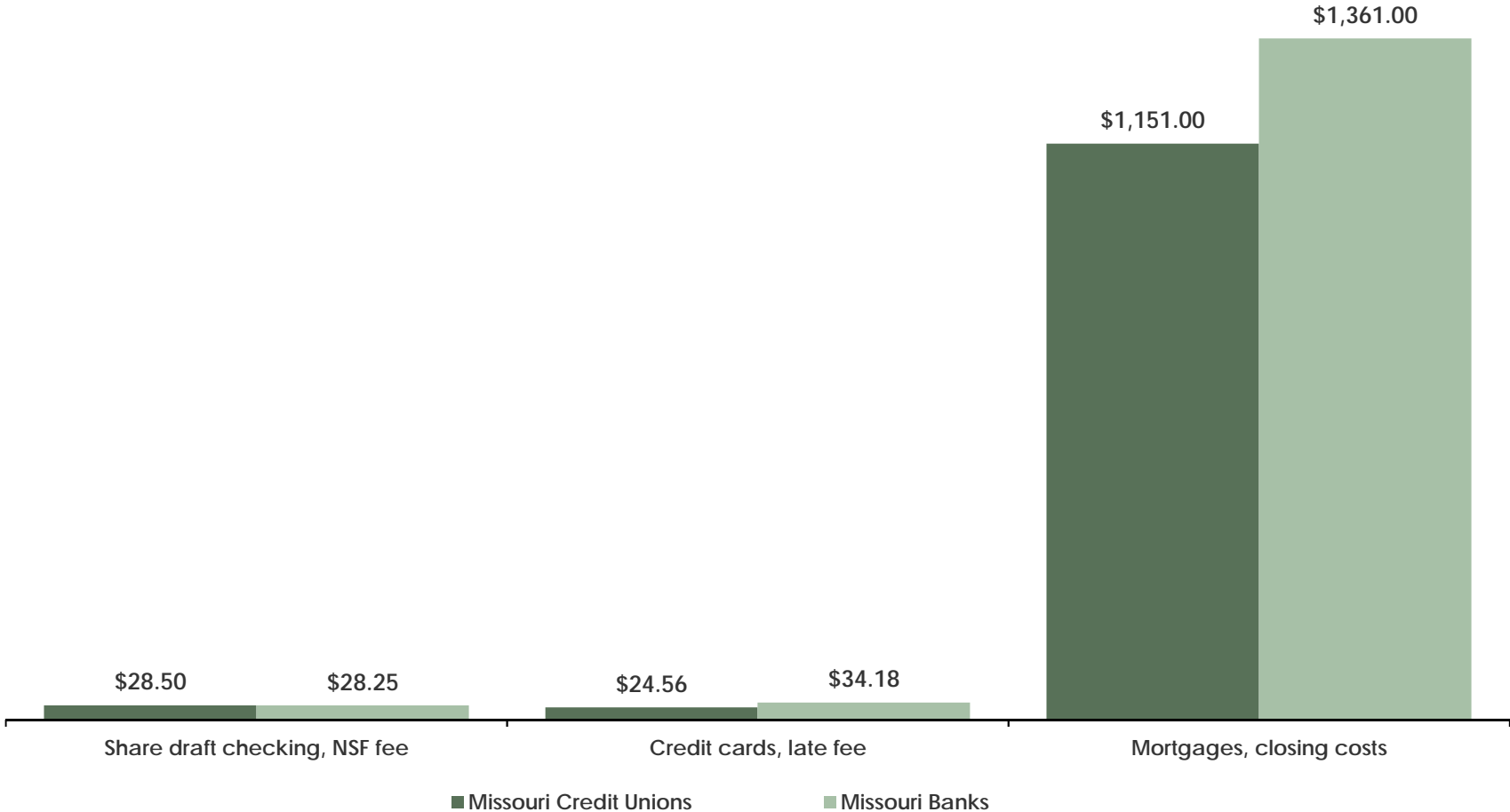
Savings Product Comparative Interest Rates (%)

by Savings Account Type



Comparative Fees

by Type



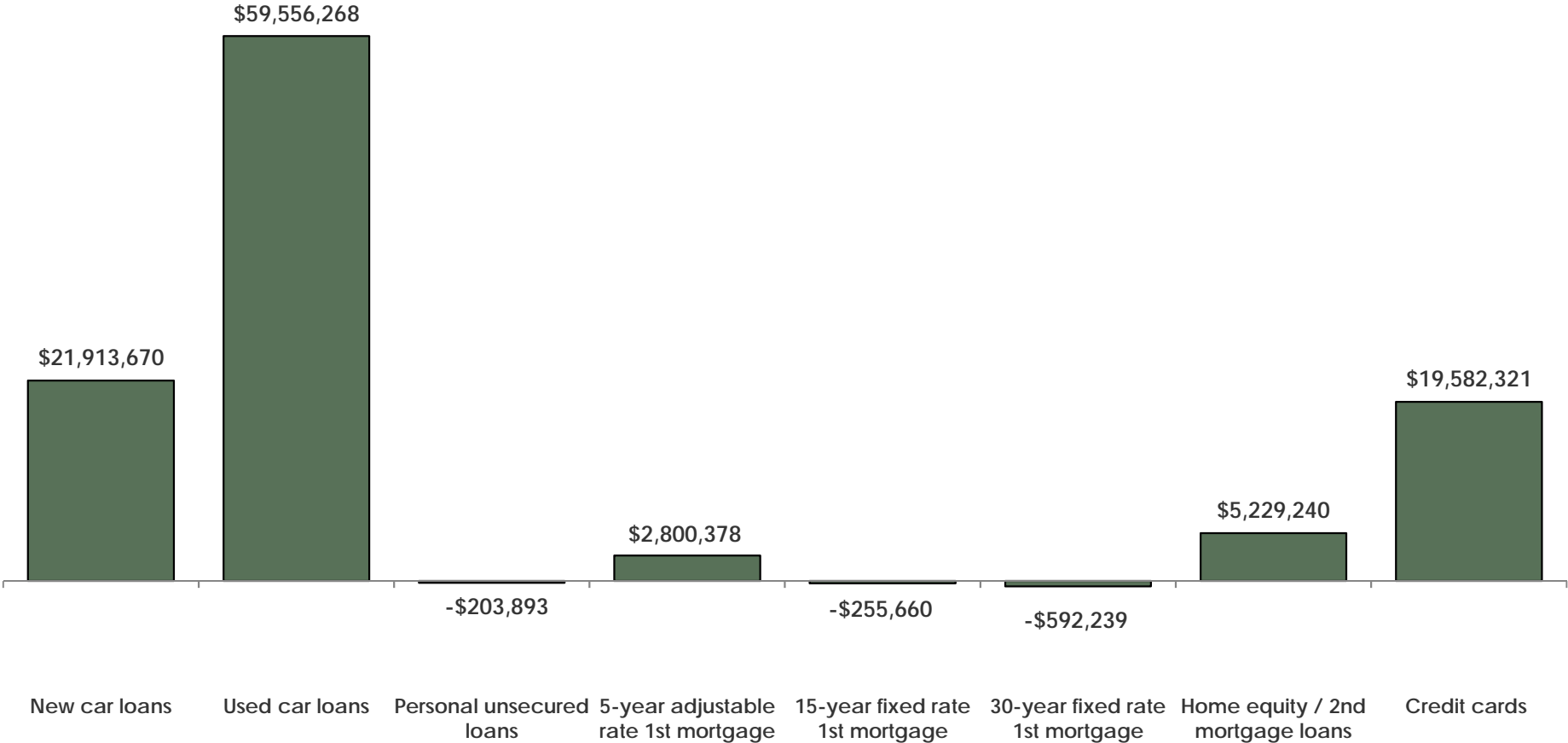
Missouri Credit Union and Banking Institution June 2017 Average Interest Rates and Fees

Loan Products	Average Rate at Credit Unions (%)	Average Rate at Banks (%)	Rate Difference vs. Banks (%)
60-month new car (A paper)	2.72	4.65	-1.93
48-month used car (A paper)	2.84	4.94	-2.10
Unsecured loan (A paper)	9.78	9.72	0.06
5-year adjustable rate 1st mortgage, 0 pts	3.52	3.80	-0.28
15-year fixed rate 1st mortgage, 0 pts	3.65	3.61	0.04
30-year fixed rate 1st mortgage, 0 pts	4.30	4.23	0.07
Home equity / 2nd mtg, 80% LTV 0 pts	4.29	4.82	-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	0.14	0.14	0.00
Share draft checking, \$5,000 balance	0.13	0.10	0.03
Money market accounts	0.16	0.13	0.03
1 Year certificate \$10,000 balance	0.55	0.44	0.11
Retirement (IRA) accounts	0.36	0.28	0.07
Fee Income			
Share draft checking, NSF fee	\$28.50	\$28.25	\$0.25
Credit cards, late fee	\$24.56	\$34.18	-\$9.62
Mortgages, closing costs	\$1,151.00	\$1,361.00	-\$210.00

Source: Datatrac

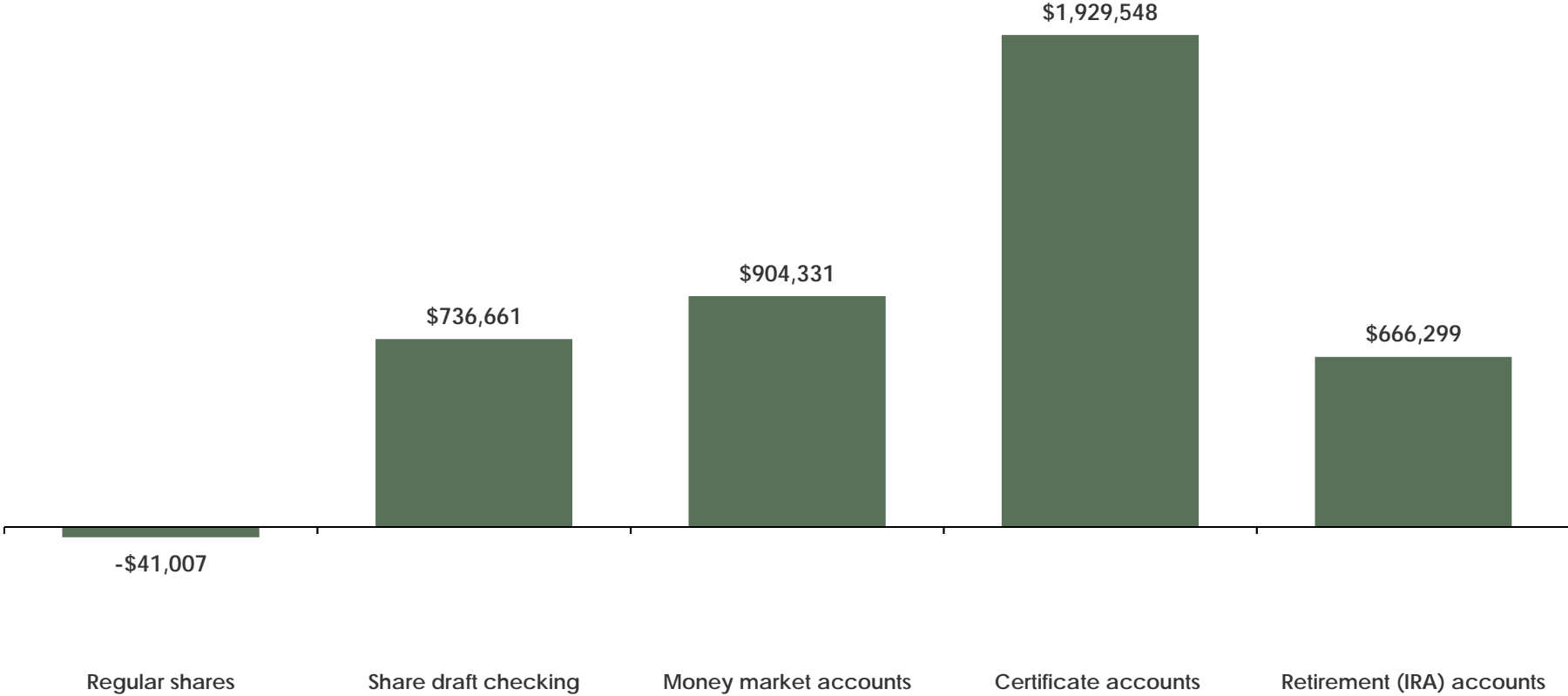
State Credit Union's Total Loan Rate Benefits

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 Missouri Credit Unions June 2017

Loans	Avg. Balance at Credit Unions (1)	Rate Difference vs. Missouri Banks (%) (2)	Total Financial Benefit to Your Members
New car loans	1,138,372,490	-1.93	\$21,913,670
Used car loans	2,830,621,080	-2.10	\$59,556,268
Personal unsecured loans	345,580,631	0.06	-\$203,893
5-year adjustable rate 1st mortgage	993,041,896	-0.28	\$2,800,378
15-year fixed rate 1st mortgage	672,789,920	0.04	-\$255,660
30-year fixed rate 1st mortgage	897,331,139	0.07	-\$592,239
Home equity / 2nd mortgage loans	990,386,315	-0.53	\$5,229,240
Credit cards	433,476,940	-5.40	\$19,582,321
Interest rebates			\$278,414
Total CU member benefits arising from lower interest rates on loan products:			\$108,308,499
Savings			
Regular shares	4,100,653,483	0.00	-\$41,007
Share draft checking	2,232,305,500	0.03	\$736,661
Money market accounts	2,740,398,261	0.03	\$904,331
Certificate accounts	1,754,134,659	0.11	\$1,929,548
Retirement (IRA) accounts	931,886,596	0.07	\$666,299
Bonus dividends in period			\$0
Total CU member benefit arising from higher interest rates on savings products:			\$4,195,833
Fee Income			
Total CU member benefit arising from fewer / lower fees:			\$9,916,147
Total CU member benefit arising from interest rates on loans, savings products and lower fees:			\$122,420,479
Total CU member benefit / member:			\$80
Total CU member benefit / member household:			\$153

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

Missouri Credit Union Performance Profile

Demographic Information	Jun 17	Jun 16
Number of branches	349	346
Total assets (\$ mil)	14,196	13,370
Total loans (\$ mil)	9,237	8,464
Total surplus funds (\$ mil)	4,207	4,209
Total savings (\$ mil)	12,233	11,491
Total members (thousands)	1,540	1,509
Growth Rates (Trailing 12 months) *		
Total assets	6.5 %	6.6 %
Total loans	9.3 %	6.9 %
Total surplus funds	0.6 %	6.0 %
Total savings	6.8 %	5.9 %
Total members	2.6 %	3.6 %
Earnings - Basis Pts. *		
Yield on total assets	337	336
Dividend / interest cost of assets	47	48
Fee & other income	205	213
Operating expense	393	402
Loss Provisions	49	41
Net Income (ROA) after stabilization exp	53	59
Capital Adequacy		
Net worth / assets	10.6	10.6
Asset Quality *		
Delinquencies / loans	0.7	0.8
Net chargeoffs / average loans	0.7	0.6
Total borrower-bankruptcies	22	19
Bankruptcies per 1000 members	1.7	1.5
Asset/Liability Management		
Loans / savings	75.5	73.7
Loans / assets	65.1	63.3
Long-term assets / assets	28.7	27.5
Core deposits/shares & borrowings	53.9	51.2
Productivity		
Members / potential members	3.9	3.8
Borrowers / members	48.0	47.2
Members / FTE	365	364
Average shares / members (\$)	7,942	7,613
Average loan balances (\$)	12,499	11,882
Salary & Benefits / FTE	65,547	63,813

* 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.