

CUNA Nevada
**MEMBERSHIP BENEFITS
REPORT**



Nevada

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 Nevada credit unions provided \$41,489,124 in direct financial benefits to the state's 346,099 members during the twelve months ending June 2017.

These benefits are equivalent to \$120 per member or \$228 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 Nevada 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 Nevada credit unions.

Consider this:

Financing a \$25,000 new automobile for 60 months at a Nevada credit union will save members an average \$233 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.

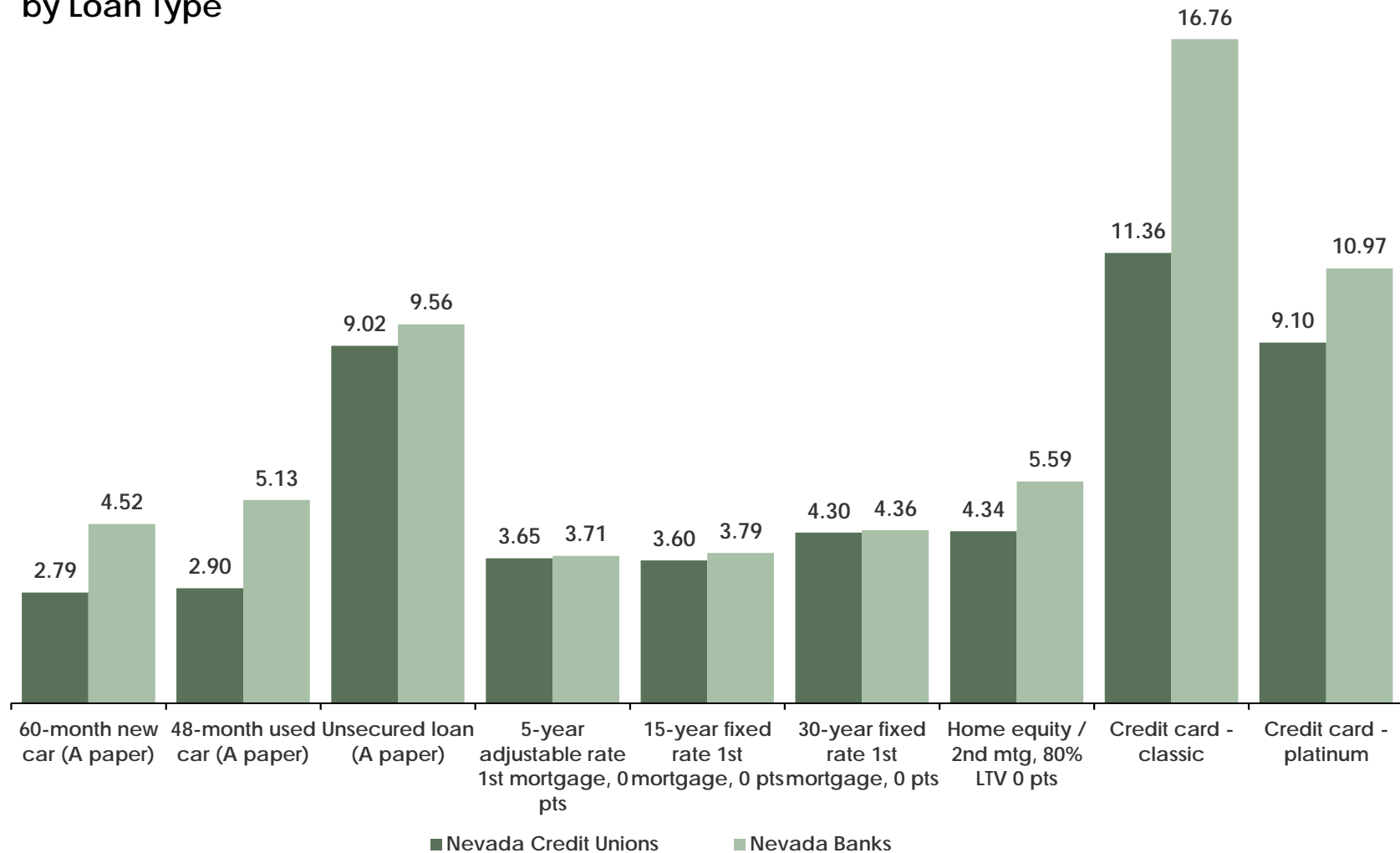
Nevada credit unions excel in providing member benefits on many loan and savings products. In particular, Nevada credit unions offer lower average loan rates on the following accounts: new car loans, used car loans, personal unsecured loans, first mortgage-fixed rate, first mortgage-adjustable rate,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

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



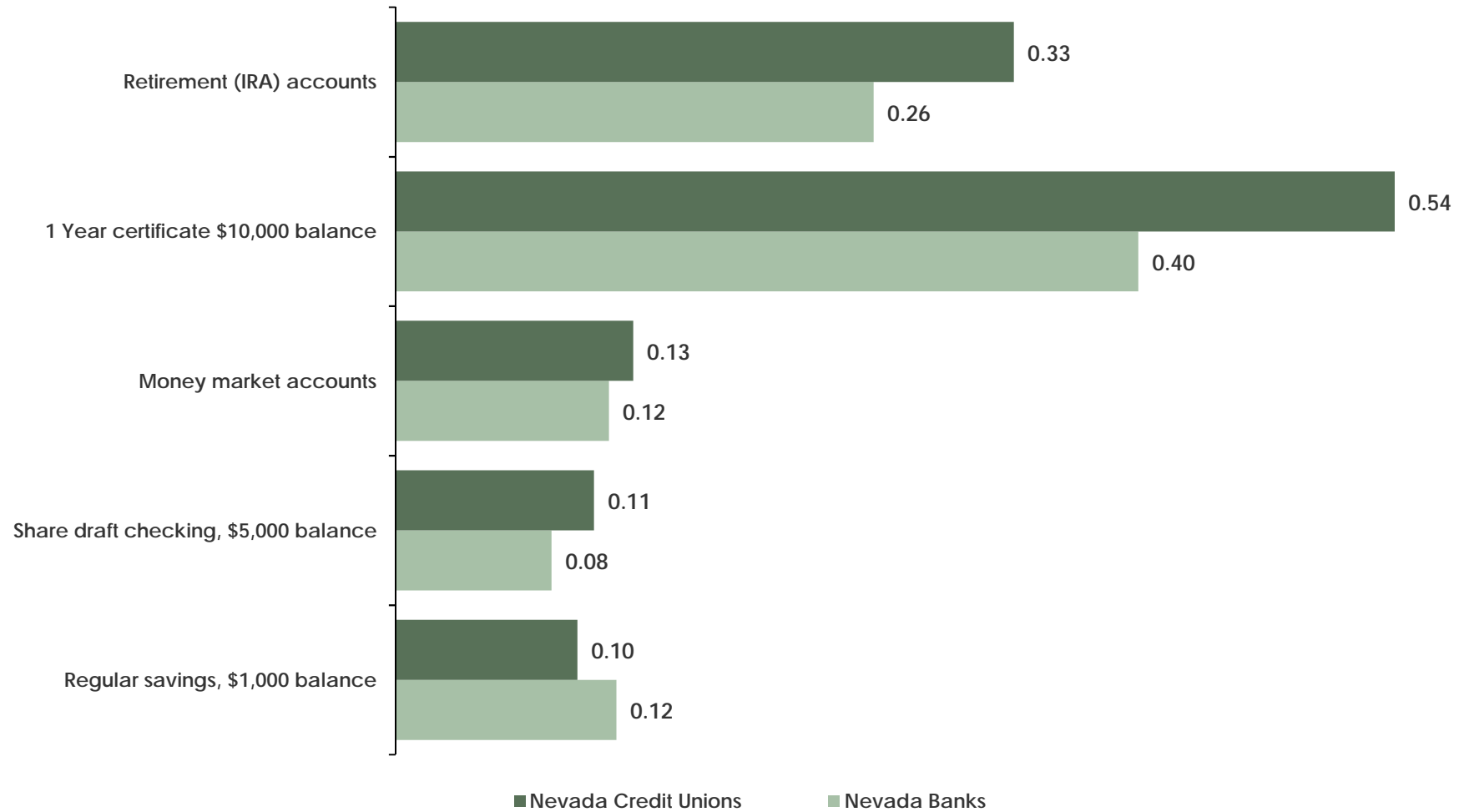
Loan Product Comparative Interest Rates (%)

by Loan Type



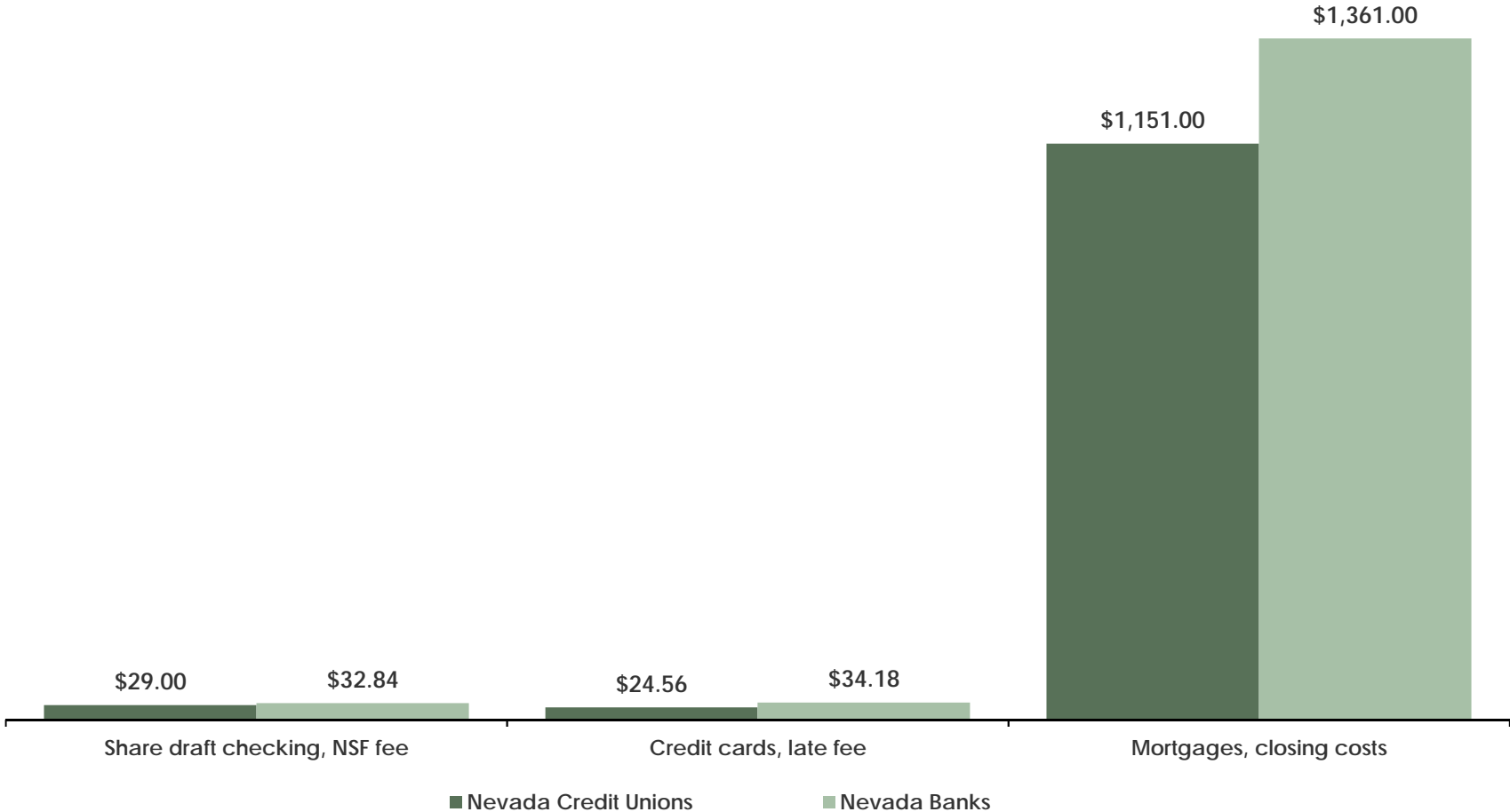
Savings Product Comparative Interest Rates (%)

by Savings Account Type



Comparative Fees

by Type



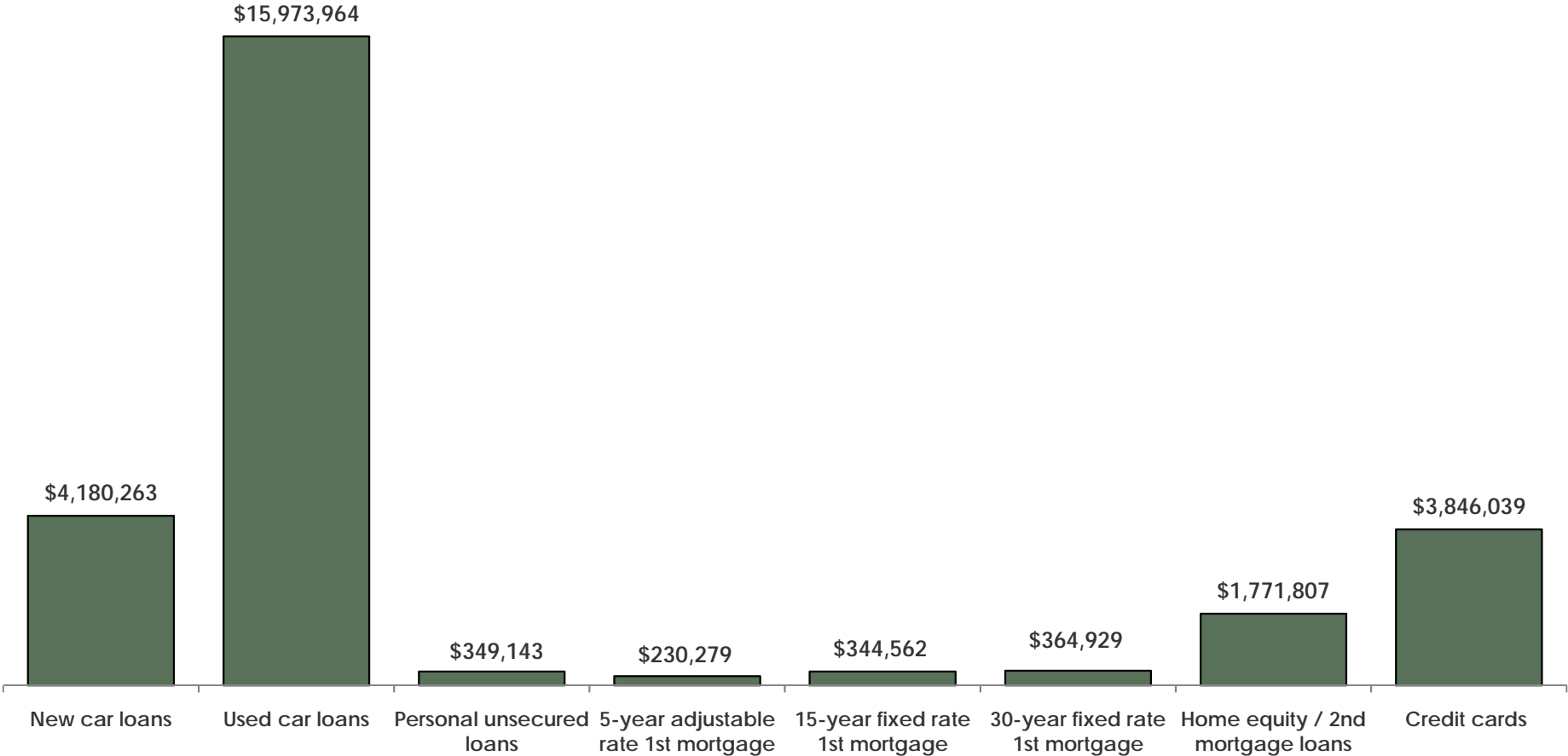
Nevada Credit Union and Banking Institution June 2017 Average Interest Rates and Fees

Loan Products	Average Rate at Credit Unions (%)	Average Rate at Banks (%)	Rate Difference vs. Banks (%)
60-month new car (A paper)	2.79	4.52	-1.73
48-month used car (A paper)	2.90	5.13	-2.23
Unsecured loan (A paper)	9.02	9.56	-0.54
5-year adjustable rate 1st mortgage, 0 pts	3.65	3.71	-0.06
15-year fixed rate 1st mortgage, 0 pts	3.60	3.79	-0.19
30-year fixed rate 1st mortgage, 0 pts	4.30	4.36	-0.06
Home equity / 2nd mtg, 80% LTV 0 pts	4.34	5.59	-1.25
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	0.10	0.12	-0.02
Share draft checking, \$5,000 balance	0.11	0.08	0.02
Money market accounts	0.13	0.12	0.01
1 Year certificate \$10,000 balance	0.54	0.40	0.14
Retirement (IRA) accounts	0.33	0.26	0.08
Fee Income			
Share draft checking, NSF fee	\$29.00	\$32.84	-\$3.84
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 Nevada Credit Unions June 2017

Loans	Avg. Balance at Credit Unions (1)	Rate Difference vs. Nevada Banks (%) (2)	Total Financial Benefit to Your Members
New car loans	241,215,388	-1.73	\$4,180,263
Used car loans	716,321,261	-2.23	\$15,973,964
Personal unsecured loans	64,298,841	-0.54	\$349,143
5-year adjustable rate 1st mortgage	383,798,162	-0.06	\$230,279
15-year fixed rate 1st mortgage	183,277,837	-0.19	\$344,562
30-year fixed rate 1st mortgage	588,595,761	-0.06	\$364,929
Home equity / 2nd mortgage loans	141,292,431	-1.25	\$1,771,807
Credit cards	85,136,456	-5.40	\$3,846,039
Interest rebates			\$3,980,886
Total CU member benefits arising from lower interest rates on loan products:			\$31,041,873
Savings			
Regular shares	1,756,778,387	-0.02	-\$368,923
Share draft checking	827,203,057	0.02	\$190,257
Money market accounts	921,817,506	0.01	\$119,836
Certificate accounts	246,505,725	0.14	\$340,178
Retirement (IRA) accounts	231,111,509	0.08	\$174,489
Bonus dividends in period			\$0
Total CU member benefit arising from higher interest rates on savings products:			\$455,837
Fee Income			
Total CU member benefit arising from fewer / lower fees:			\$9,991,415
Total CU member benefit arising from interest rates on loans, savings products and lower fees:			\$41,489,124
Total CU member benefit / member:			\$120
Total CU member benefit / member household:			\$228

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

Nevada Credit Union Performance Profile

Demographic Information	Jun 17	Jun 16
Number of branches	68	65
Total assets (\$ mil)	4,718	4,307
Total loans (\$ mil)	2,713	2,428
Total surplus funds (\$ mil)	1,810	1,706
Total savings (\$ mil)	4,176	3,813
Total members (thousands)	352	340
Growth Rates (Trailing 12 months) *		
Total assets	9.5 %	7.4 %
Total loans	11.7 %	10.4 %
Total surplus funds	6.1 %	3.0 %
Total savings	9.5 %	6.8 %
Total members	3.4 %	2.2 %
Earnings - Basis Pts. *		
Yield on total assets	321	316
Dividend / interest cost of assets	22	20
Fee & other income	216	221
Operating expense	384	390
Loss Provisions	16	-1
Net Income (ROA) after stabilization exp	116	127
Capital Adequacy		
Net worth / assets	10.7	10.5
Asset Quality *		
Delinquencies / loans	0.5	0.9
Net chargeoffs / average loans	0.4	0.4
Total borrower-bankruptcies	22	20
Bankruptcies per 1000 members	1.0	1.0
Asset/Liability Management		
Loans / savings	65.0	63.7
Loans / assets	57.5	56.4
Long-term assets / assets	33.5	33.5
Core deposits/shares & borrowings	65.5	63.8
Productivity		
Members / potential members	5.5	4.4
Borrowers / members	50.7	49.1
Members / FTE	309	307
Average shares / members (\$)	11,867	11,204
Average loan balances (\$)	15,213	14,529
Salary & Benefits / FTE	74,537	72,059

* 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.