

CUNA Colorado  
**MEMBERSHIP BENEFITS  
REPORT**

## Colorado

### 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 Colorado credit unions provided \$177,015,309 in direct financial benefits to the state's 1,920,237 members during the twelve months ending December 2018.

**These benefits are equivalent to \$92 per member or \$194 per member household <sup>(1)</sup>.**

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 Colorado 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 Colorado credit unions.

Consider this:

**Financing a \$25,000 new automobile for 60 months at a Colorado credit union will save members an average \$124 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.

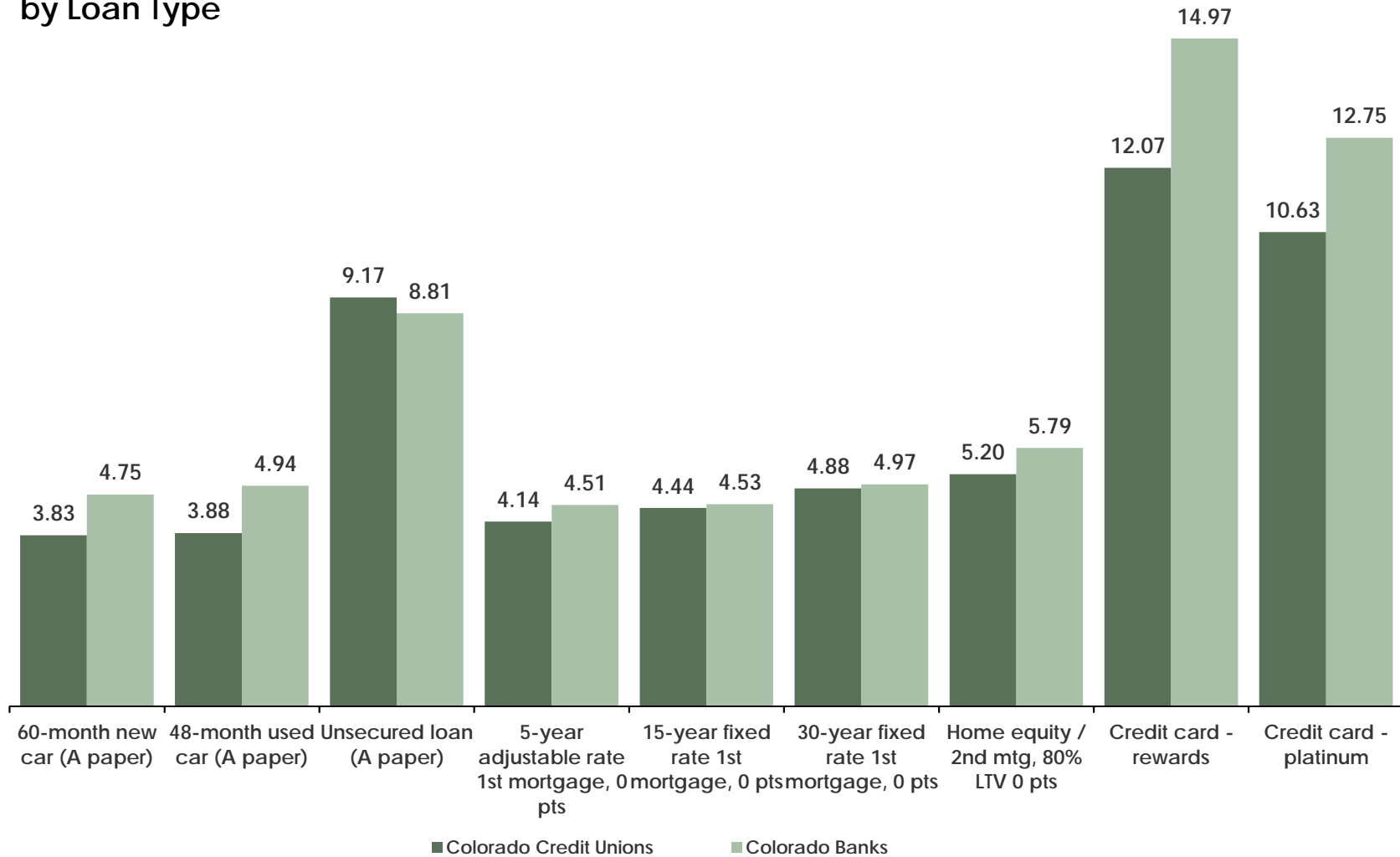
Colorado credit unions excel in providing member benefits on many loan and savings products. In particular, Colorado credit unions offer lower average loan rates on the following accounts: new car loans, used car loans, first mortgage-fixed rate, first mortgage-adjustable rate, home equity loans, credit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

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



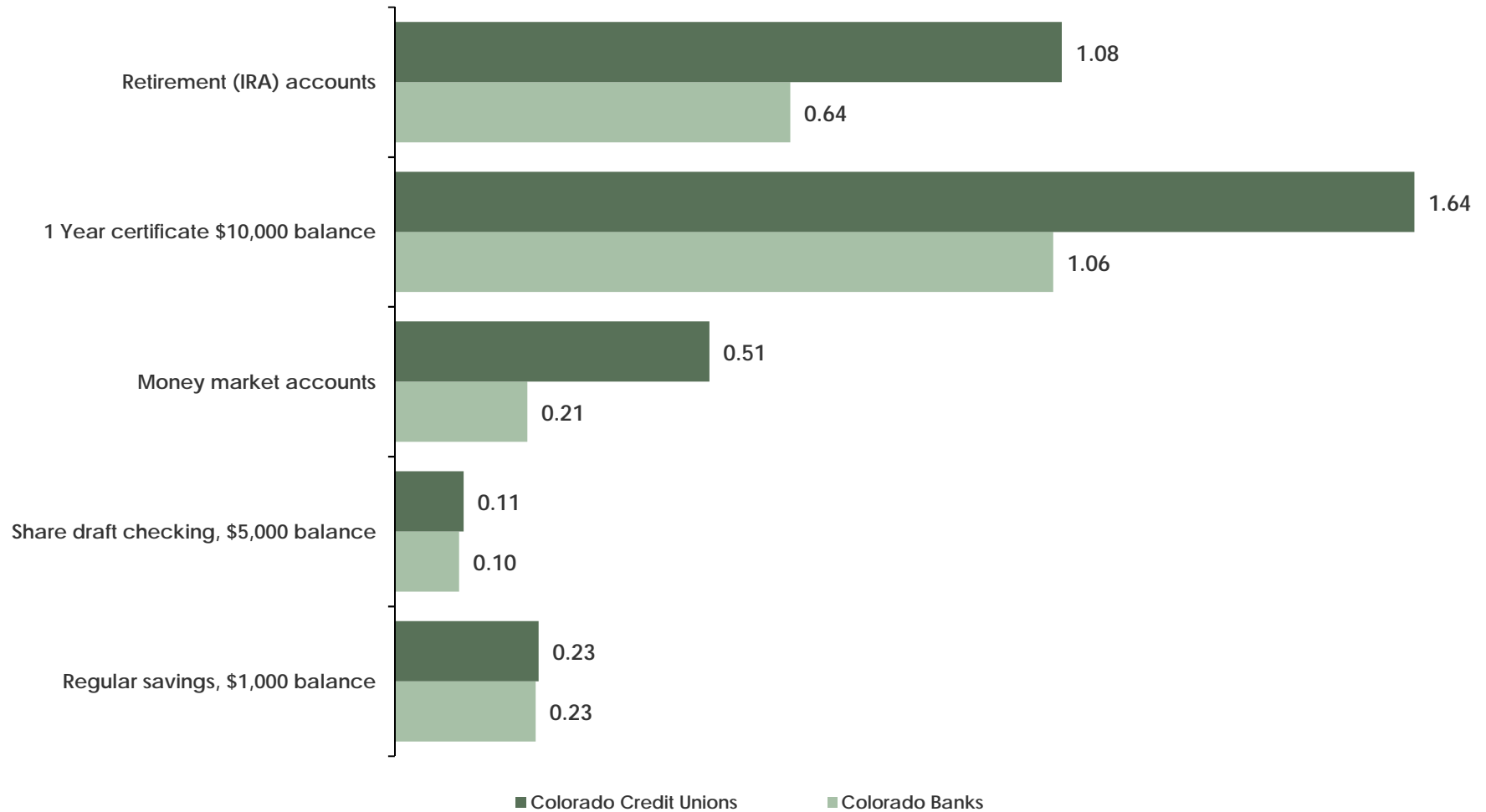
## Loan Product Comparative Interest Rates (%)

by Loan Type



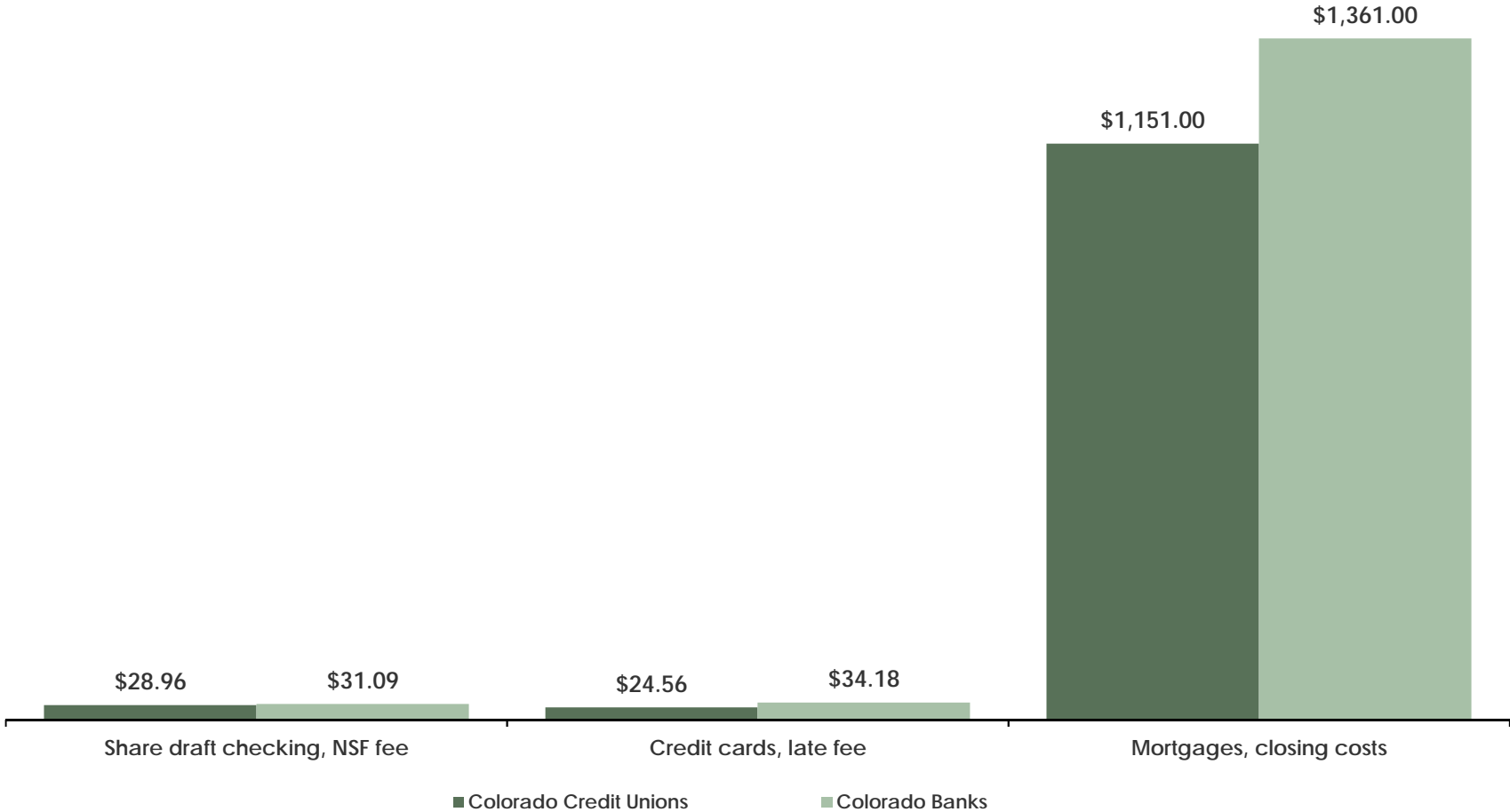
## Savings Product Comparative Interest Rates (%)

### by Savings Account Type



## Comparative Fees

by Type



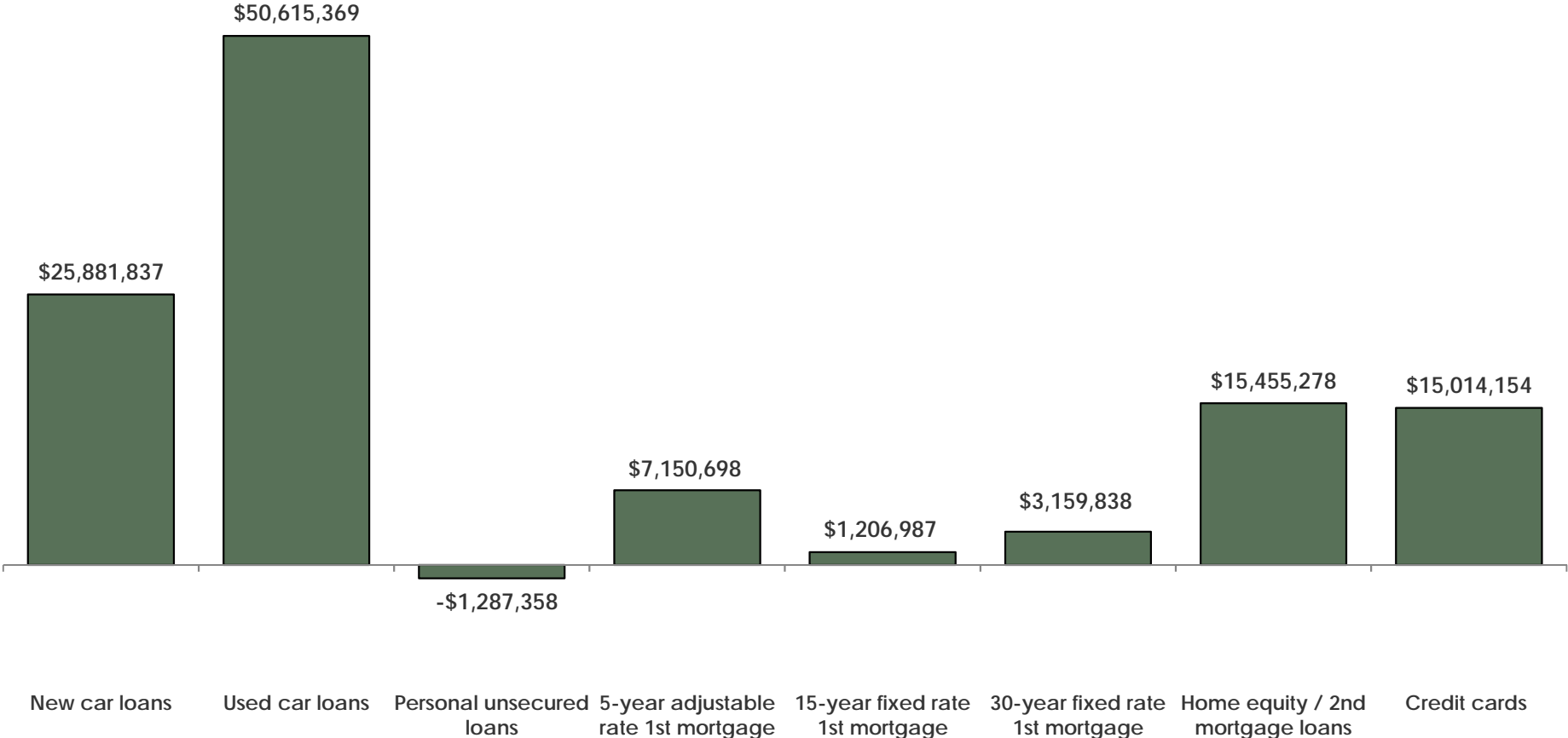
## Colorado Credit Union and Banking Institution December 2018 Average Interest Rates and Fees

Loan Products	Average Rate at Credit Unions (%)	Average Rate at Banks (%)	Rate Difference vs. Banks (%)
60-month new car (A paper)	3.83	4.75	-0.91
48-month used car (A paper)	3.88	4.94	-1.06
Unsecured loan (A paper)	9.17	8.81	0.36
5-year adjustable rate 1st mortgage, 0 pts	4.14	4.51	-0.37
15-year fixed rate 1st mortgage, 0 pts	4.44	4.53	-0.09
30-year fixed rate 1st mortgage, 0 pts	4.88	4.97	-0.09
Home equity / 2nd mtg, 80% LTV 0 pts	5.20	5.79	-0.59
Credit card - rewards	12.07	14.97	-2.90
Credit card - platinum	10.63	12.75	-2.11
Savings Products			
Regular savings, \$1,000 balance	0.23	0.23	0.01
Share draft checking, \$5,000 balance	0.11	0.10	0.01
Money market accounts	0.51	0.21	0.29
1 Year certificate \$10,000 balance	1.64	1.06	0.58
Retirement (IRA) accounts	1.08	0.64	0.44
Fee Income			
Share draft checking, NSF fee	\$28.96	\$31.09	-\$2.13
Credit cards, late fee	\$24.56	\$34.18	-\$9.62
Mortgages, closing costs	\$1,151.00	\$1,361.00	-\$210.00

Source: Datatrac

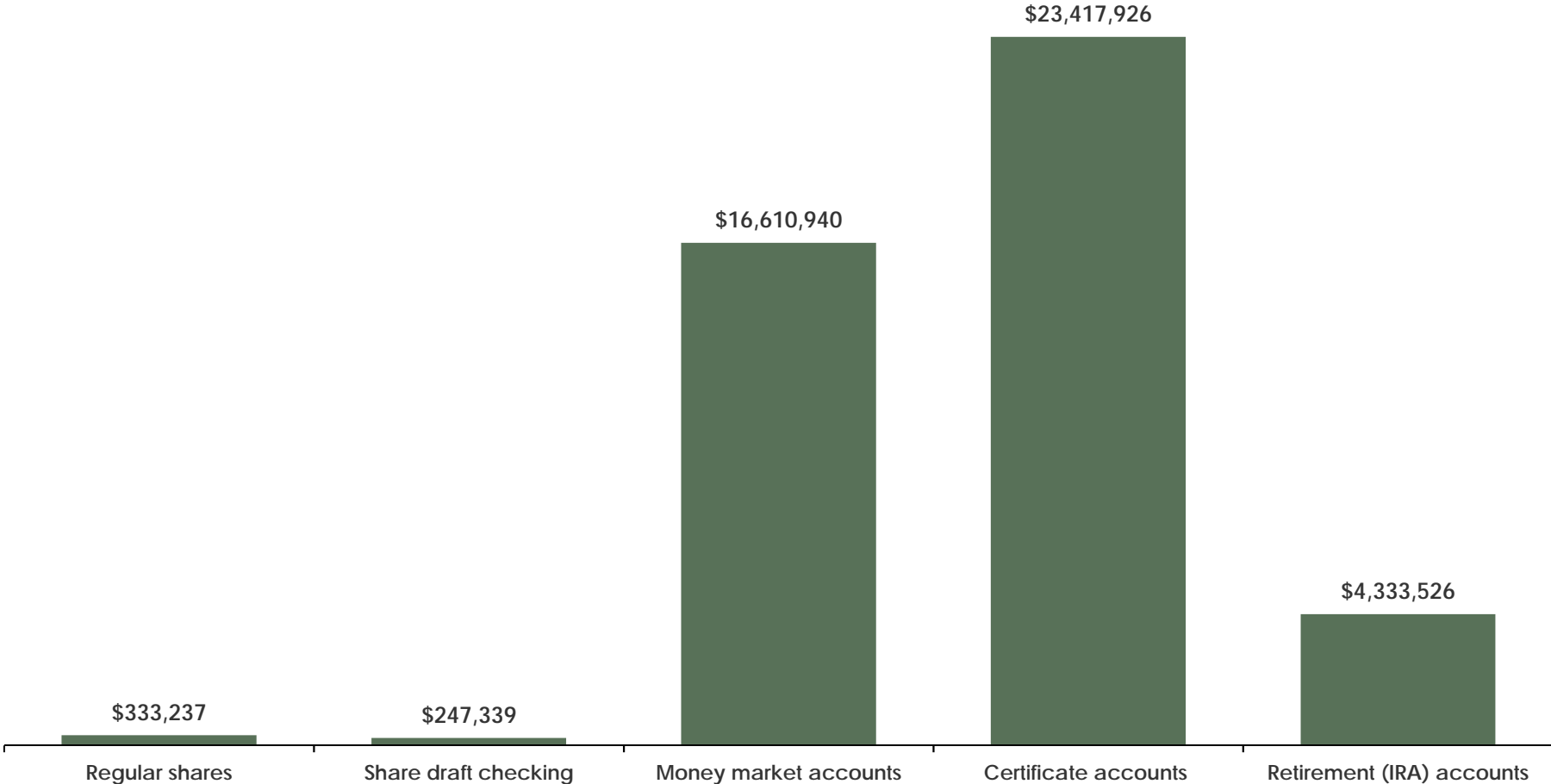
### State Credit Union's Total Loan Rate Benefits

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 Colorado Credit Unions December 2018

Loans	Avg. Balance at Credit Unions (1)	Rate Difference vs. Colorado Banks (%) (2)	Total Financial Benefit to Your Members
New car loans	2,831,710,821	-0.91	\$25,881,837
Used car loans	4,757,083,523	-1.06	\$50,615,369
Personal unsecured loans	360,604,479	0.36	-\$1,287,358
5-year adjustable rate 1st mortgage	1,937,858,406	-0.37	\$7,150,698
15-year fixed rate 1st mortgage	1,419,984,389	-0.09	\$1,206,987
30-year fixed rate 1st mortgage	3,590,724,617	-0.09	\$3,159,838
Home equity / 2nd mortgage loans	2,632,926,419	-0.59	\$15,455,278
Credit cards	555,205,843	-2.90	\$15,014,154
Interest rebates			\$178,639
<b>Total CU member benefits arising from lower interest rates on loan products:</b>			<b>\$117,375,441</b>
Savings			
Regular shares	6,664,748,057	0.01	\$333,237
Share draft checking	3,533,408,019	0.01	\$247,339
Money market accounts	5,669,262,726	0.29	\$16,610,940
Certificate accounts	4,023,698,553	0.58	\$23,417,926
Retirement (IRA) accounts	990,520,266	0.44	\$4,333,526
Bonus dividends in period			\$0
<b>Total CU member benefit arising from higher interest rates on savings products:</b>			<b>\$44,942,967</b>
Fee Income			
<b>Total CU member benefit arising from fewer / lower fees:</b>			<b>\$14,696,901</b>
<b>Total CU member benefit arising from interest rates on loans, savings products and lower fees:</b>			<b>\$177,015,309</b>
<b>Total CU member benefit / member:</b>			<b>\$92</b>
<b>Total CU member benefit / member household:</b>			<b>\$194</b>

Source: Datatrac, NCUA, and CUNA

(1) Average balance as of December 2018 and December 2017, according to the NCUA call report.; (2) Source for rates and fees: Datatrac;

# Membership Benefits Report

CUNA Economics and Statistics

## Colorado Credit Union Performance Profile

Demographic Information	Dec 18	Dec 17
Number of branches	292	290
Total assets (\$ mil)	25,921	24,103
Total loans (\$ mil)	19,837	17,952
Total surplus funds (\$ mil)	4,991	5,191
Total savings (\$ mil)	22,005	20,624
Total members (thousands)	1,970	1,871
Growth Rates (Trailing 12 months) *		
Total assets	7.5 %	7.1 %
Total loans	10.5 %	11.4 %
Total surplus funds	-3.9 %	-5.7 %
Total savings	6.7 %	8.1 %
Total members	5.3 %	6.5 %
Earnings - Basis Pts. *		
Yield on total assets	382	353
Dividend / interest cost of assets	67	55
Fee & other income	129	133
Operating expense	316	304
Loss Provisions	37	36
Net Income (ROA) after stabilization exp	91	90
Capital Adequacy		
Net worth / assets	11.4	11.3
Asset Quality *		
Delinquencies / loans	0.4	0.5
Net chargeoffs / average loans	0.4	0.4
Total borrower-bankruptcies	28	31
Bankruptcies per 1000 members	1.2	1.3
Asset/Liability Management		
Loans / savings	90.1	87.0
Loans / assets	76.5	74.5
Long-term assets / assets	32.7	31.9
Core deposits/shares & borrowings	47.6	48.0
Productivity		
Members / potential members	4.8	4.9
Borrowers / members	59.8	60.6
Members / FTE	411	413
Average shares / members (\$)	11,168	11,026
Average loan balances (\$)	16,833	15,835
Salary & Benefits / FTE	82,350	77,879

\* 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.