

CUNA District of Columbia
**MEMBERSHIP BENEFITS
REPORT**

District of Columbia

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 District of Columbia credit unions provided \$36,481,619 in direct financial benefits to the state's 276,160 members during the twelve months ending December 2018.

These benefits are equivalent to \$132 per member or \$277 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 District of Columbia 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 District of Columbia credit unions.

Consider this:

Financing a \$25,000 new automobile for 60 months at a District of Columbia credit union will save members an average \$149 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.

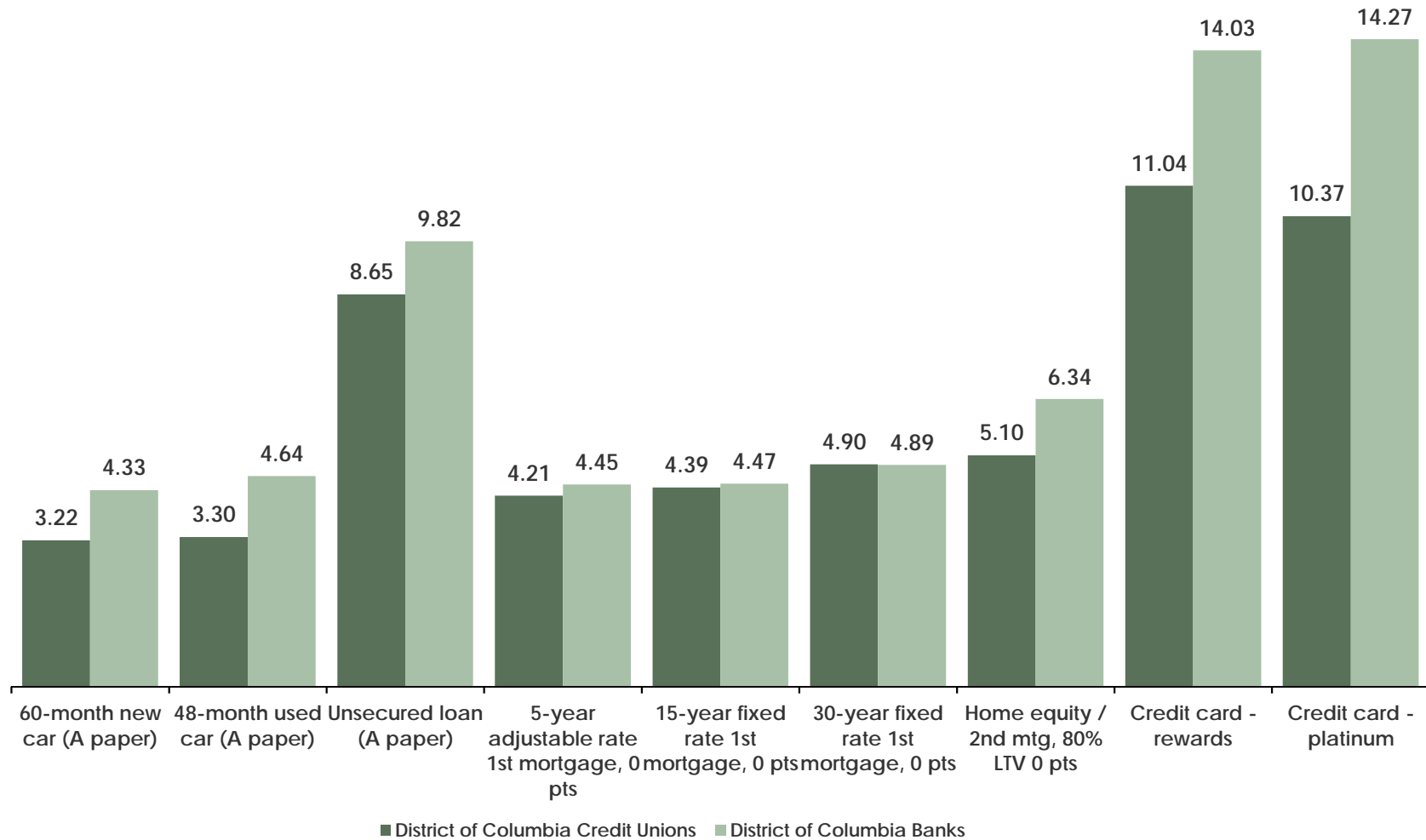
District of Columbia credit unions excel in providing member benefits on many loan and savings products. In particular, District of Columbia credit unions offer lower average loan rates on the following accounts: new car loans, used car loans, personal unsecured loans, first mortgage-fixed rate, first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

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



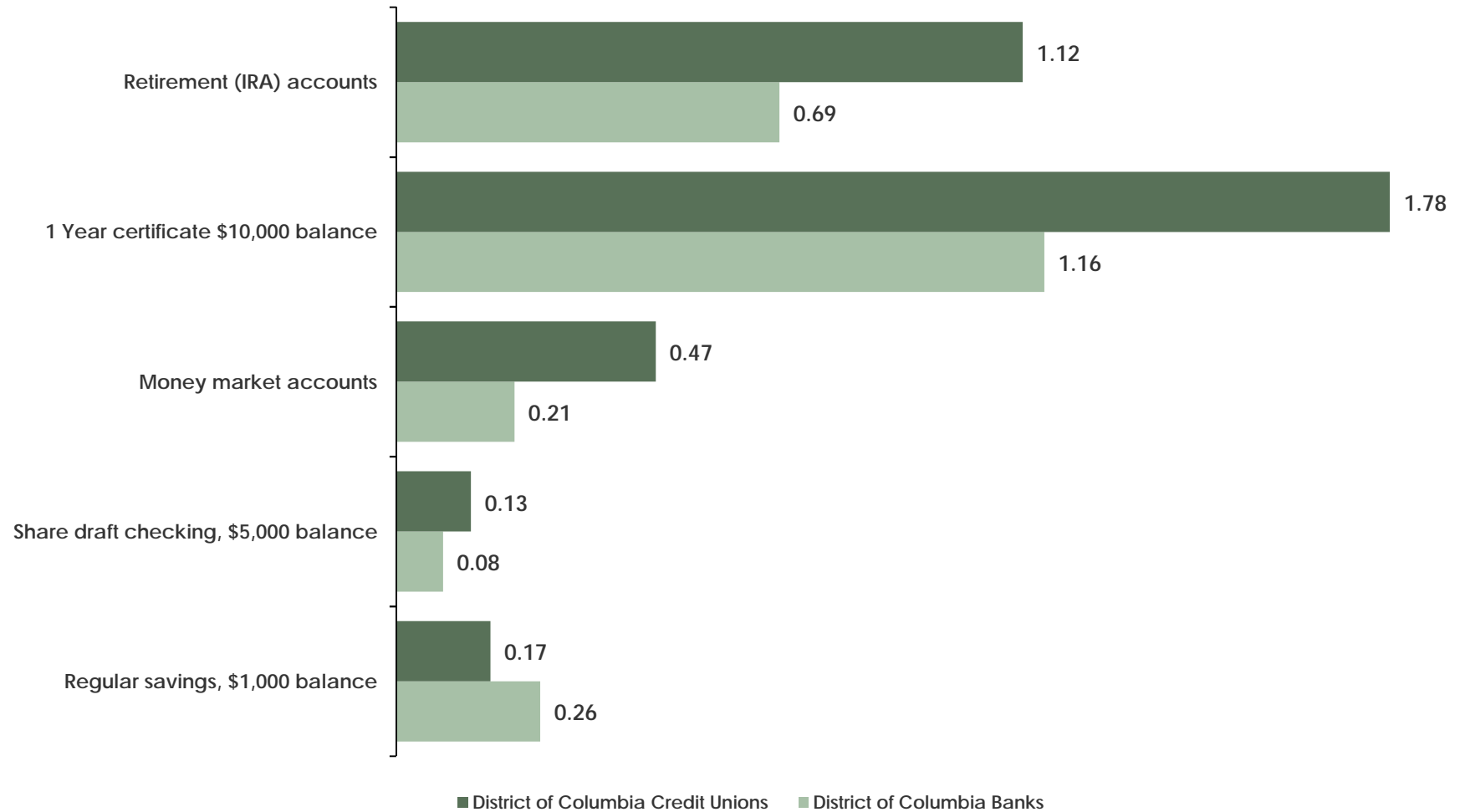
Loan Product Comparative Interest Rates (%)

by Loan Type



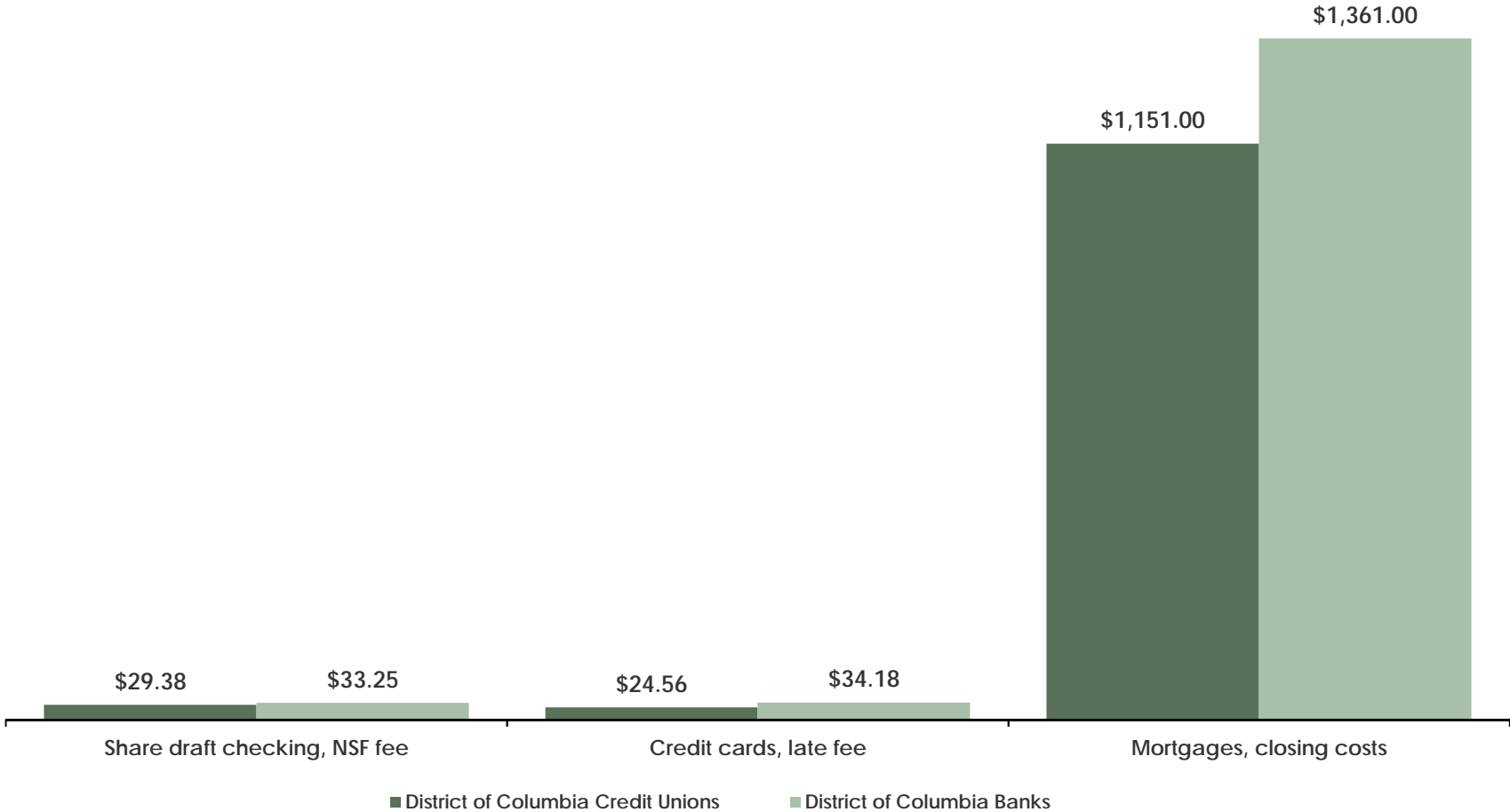
Savings Product Comparative Interest Rates (%)

by Savings Account Type



Comparative Fees

by Type



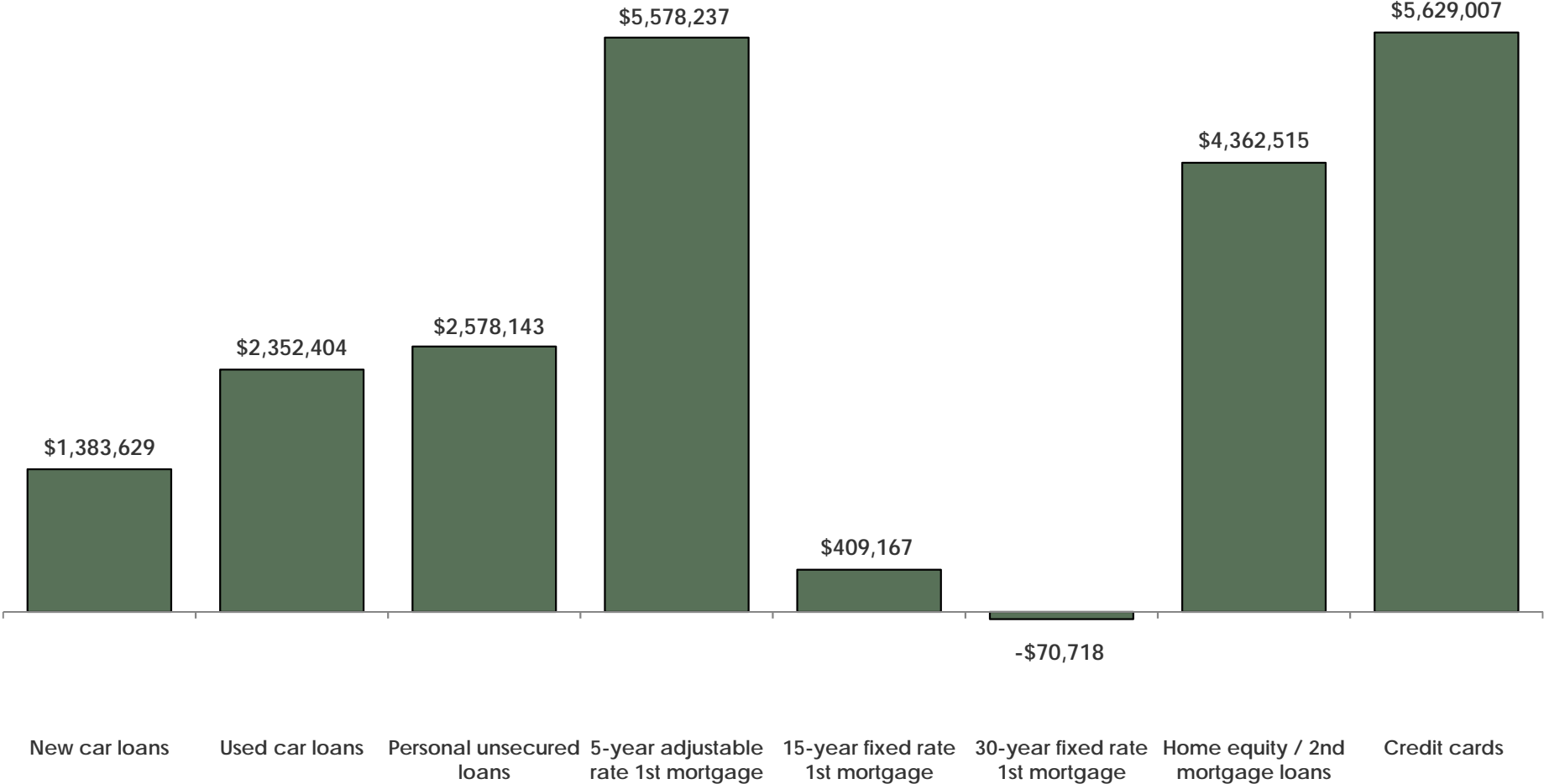
District of Columbia Credit Union and Banking Institution December 2018 Average Interest Rates and Fees

Loan Products	Average Rate at Credit Unions (%)	Average Rate at Banks (%)	Rate Difference vs. Banks (%)
60-month new car (A paper)	3.22	4.33	-1.11
48-month used car (A paper)	3.30	4.64	-1.35
Unsecured loan (A paper)	8.65	9.82	-1.17
5-year adjustable rate 1st mortgage, 0 pts	4.21	4.45	-0.24
15-year fixed rate 1st mortgage, 0 pts	4.39	4.47	-0.08
30-year fixed rate 1st mortgage, 0 pts	4.90	4.89	0.01
Home equity / 2nd mtg, 80% LTV 0 pts	5.10	6.34	-1.24
Credit card - rewards	11.04	14.03	-2.99
Credit card - platinum	10.37	14.27	-3.90
Savings Products			
Regular savings, \$1,000 balance	0.17	0.26	-0.09
Share draft checking, \$5,000 balance	0.13	0.08	0.05
Money market accounts	0.47	0.21	0.25
1 Year certificate \$10,000 balance	1.78	1.16	0.62
Retirement (IRA) accounts	1.12	0.69	0.44
Fee Income			
Share draft checking, NSF fee	\$29.38	\$33.25	-\$3.88
Credit cards, late fee	\$24.56	\$34.18	-\$9.62
Mortgages, closing costs	\$1,151.00	\$1,361.00	-\$210.00

Source: Datatrac

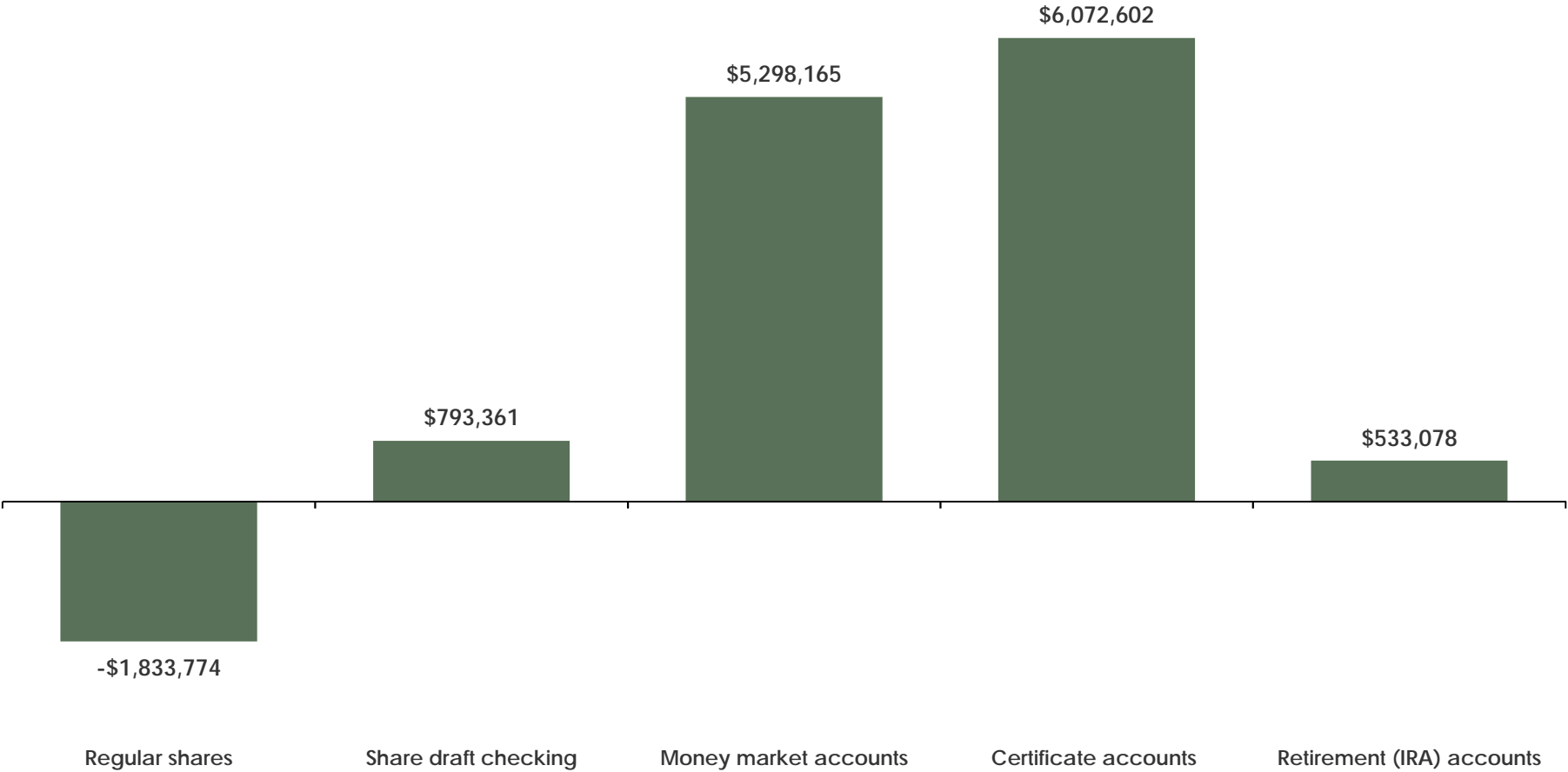
State Credit Union's Total Loan Rate Benefits

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 District of Columbia Credit Unions December 2018

Loans	Avg. Balance at Credit Unions (1)	Rate Difference vs. District of Columbia Banks (%) (2)	Total Financial Benefit to Your Members
New car loans	124,989,031	-1.11	\$1,383,629
Used car loans	174,899,933	-1.35	\$2,352,404
Personal unsecured loans	219,603,323	-1.17	\$2,578,143
5-year adjustable rate 1st mortgage	2,295,570,764	-0.24	\$5,578,237
15-year fixed rate 1st mortgage	511,458,993	-0.08	\$409,167
30-year fixed rate 1st mortgage	642,893,567	0.01	-\$70,718
Home equity / 2nd mortgage loans	351,532,208	-1.24	\$4,362,515
Credit cards	175,058,544	-2.99	\$5,629,007
Interest rebates			\$0
Total CU member benefits arising from lower interest rates on loan products:			\$22,222,384
Savings			
Regular shares	2,060,420,735	-0.09	-\$1,833,774
Share draft checking	1,586,722,081	0.05	\$793,361
Money market accounts	2,094,136,241	0.25	\$5,298,165
Certificate accounts	981,034,241	0.62	\$6,072,602
Retirement (IRA) accounts	122,265,579	0.44	\$533,078
Bonus dividends in period			\$0
Total CU member benefit arising from higher interest rates on savings products:			\$10,863,431
Fee Income			
Total CU member benefit arising from fewer / lower fees:			\$3,395,804
Total CU member benefit arising from interest rates on loans, savings products and lower fees:			\$36,481,619
Total CU member benefit / member:			\$132
Total CU member benefit / member household:			\$277

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;

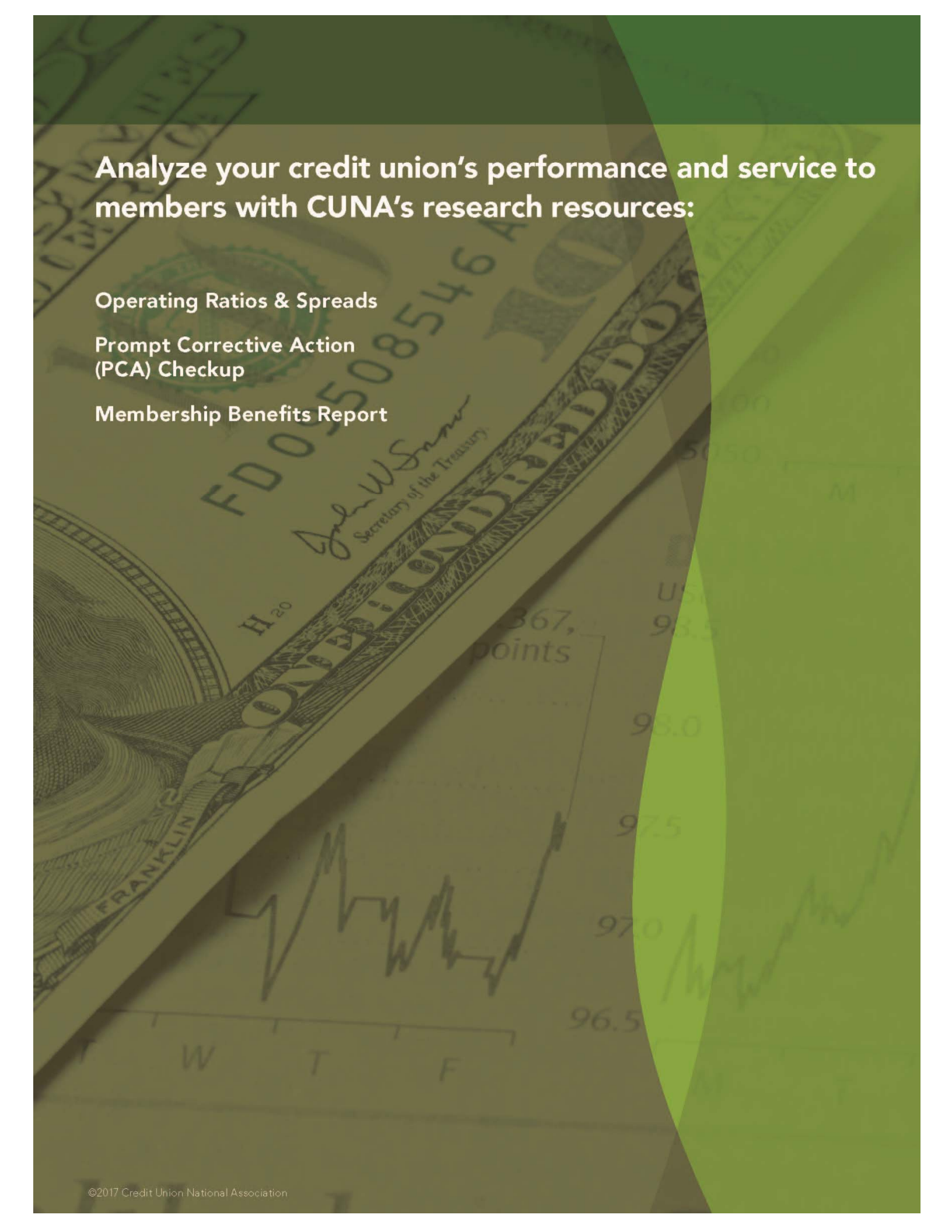
Membership Benefits Report

CUNA Economics and Statistics

District of Columbia Credit Union Performance Profile

Demographic Information	Dec 18	Dec 17
Number of branches	71	79
Total assets (\$ mil)	8,053	7,850
Total loans (\$ mil)	4,665	4,473
Total surplus funds (\$ mil)	3,235	3,213
Total savings (\$ mil)	6,960	6,852
Total members (thousands)	277	292
Growth Rates (Trailing 12 months) *		
Total assets	4.1 %	5.1 %
Total loans	5.4 %	5.9 %
Total surplus funds	2.5 %	4.9 %
Total savings	2.9 %	5.2 %
Total members	0.5 %	-1.7 %
Earnings - Basis Pts. *		
Yield on total assets	304	279
Dividend / interest cost of assets	54	42
Fee & other income	59	60
Operating expense	207	210
Loss Provisions	9	17
Net Income (ROA) after stabilization exp	94	70
Capital Adequacy		
Net worth / assets	11.7	11.3
Asset Quality *		
Delinquencies / loans	0.6	0.8
Net chargeoffs / average loans	0.2	0.3
Total borrower-bankruptcies	5	6
Bankruptcies per 1000 members	0.7	0.8
Asset/Liability Management		
Loans / savings	67.0	65.3
Loans / assets	57.9	57.0
Long-term assets / assets	34.9	32.8
Core deposits/shares & borrowings	53.3	52.4
Productivity		
Members / potential members	15.1	15.5
Borrowers / members	66.5	63.8
Members / FTE	334	346
Average shares / members (\$)	25,144	23,462
Average loan balances (\$)	25,348	23,993
Salary & Benefits / FTE	94,099	90,693

* 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.



Analyze your credit union's performance and service to members with CUNA's research resources:

Operating Ratios & Spreads

Prompt Corrective Action
(PCA) Checkup

Membership Benefits Report