

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 \$71,372,877 in direct financial benefits to the state's 690,244 members during the twelve months ending December 2018.

These benefits are equivalent to \$103 per member or \$217 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 \$204 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.

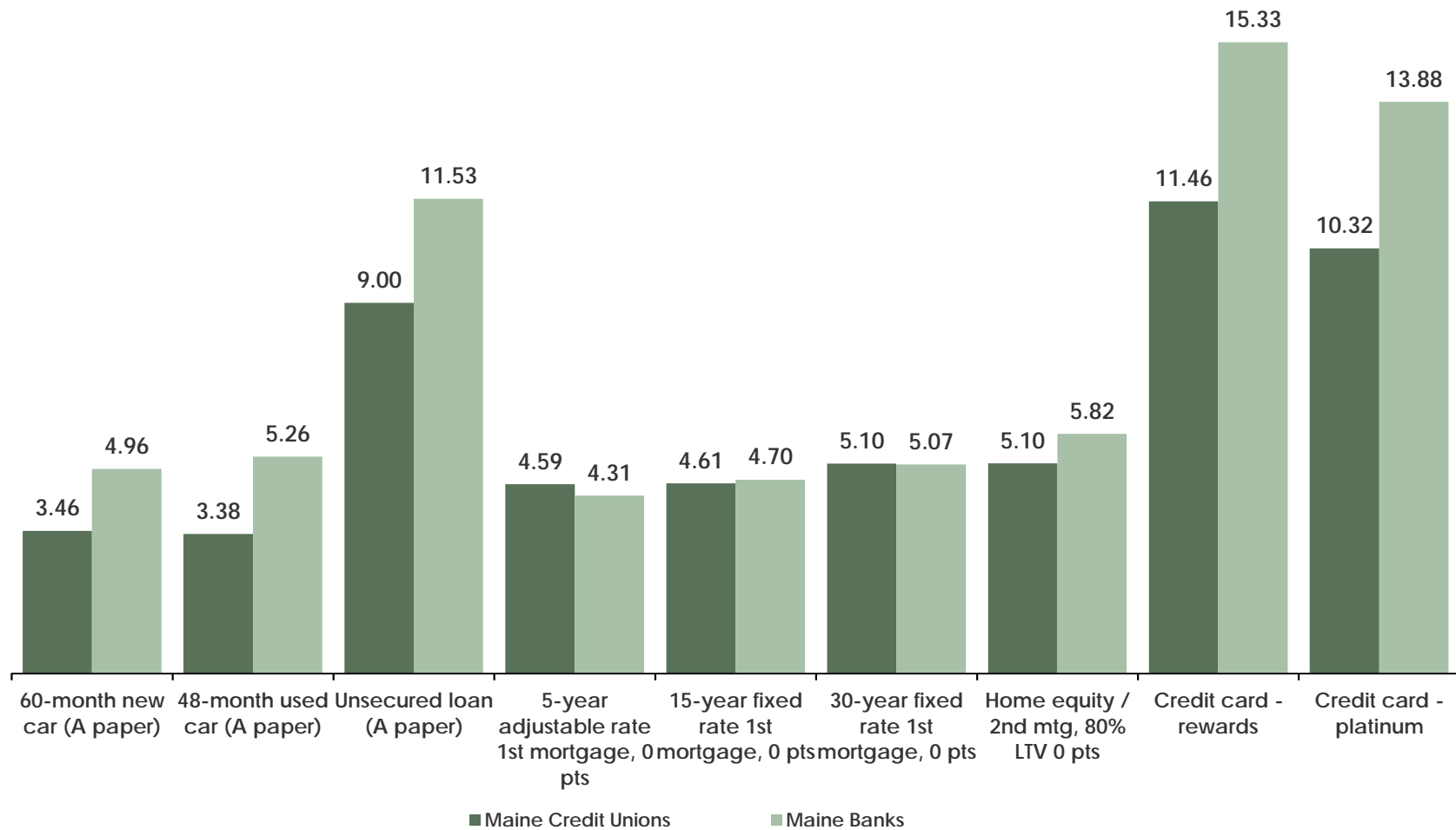
Maine credit unions excel in providing member benefits on many loan and savings products. In particular, Maine credit unions offer lower average loan rates on the following accounts: new car loans, used car loans, personal unsecured loans, first mortgage-fixed rate, home equity loans, credit cards loans.

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



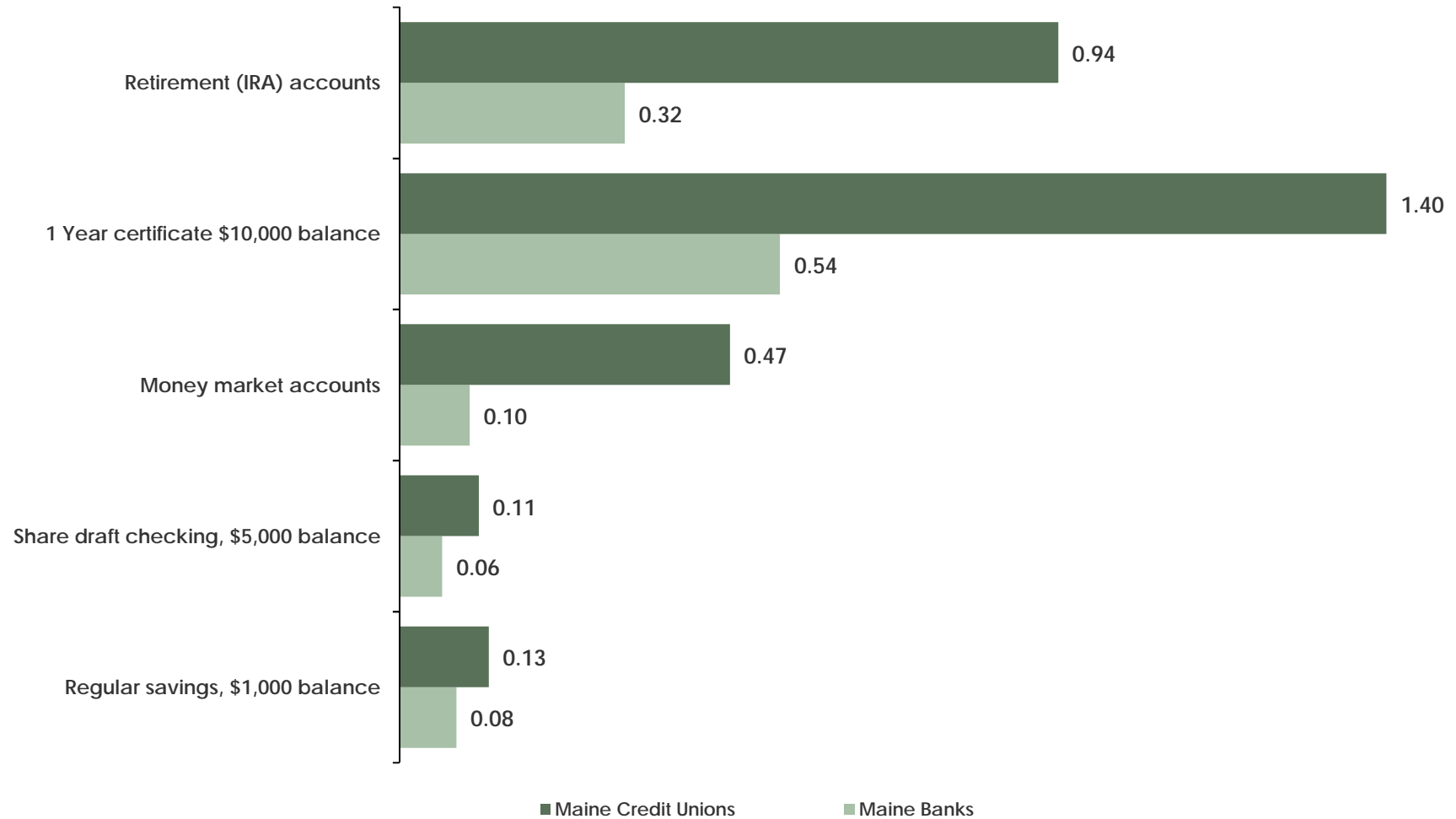
Loan Product Comparative Interest Rates (%)

by Loan Type



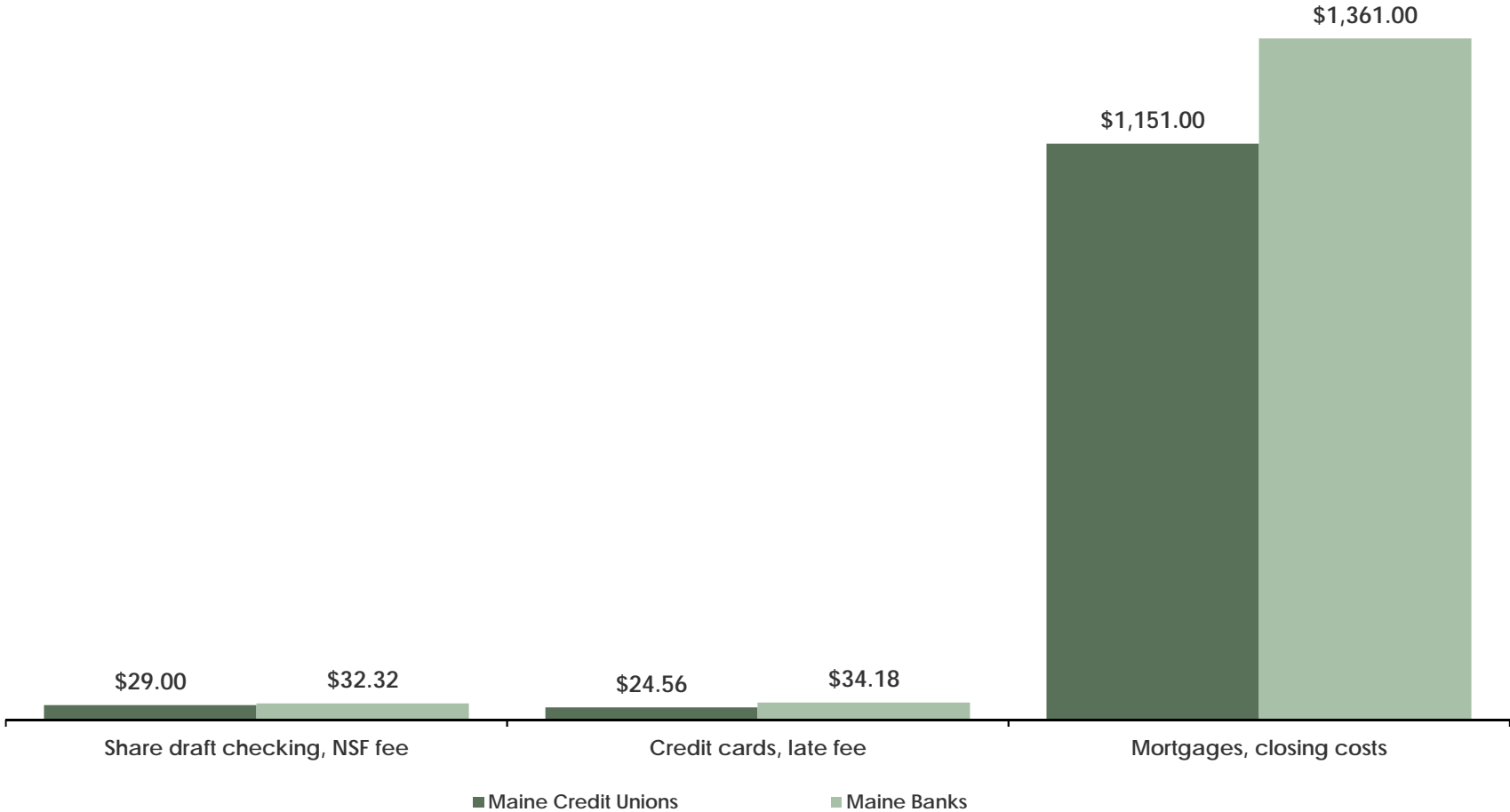
Savings Product Comparative Interest Rates (%)

by Savings Account Type



Comparative Fees

by Type



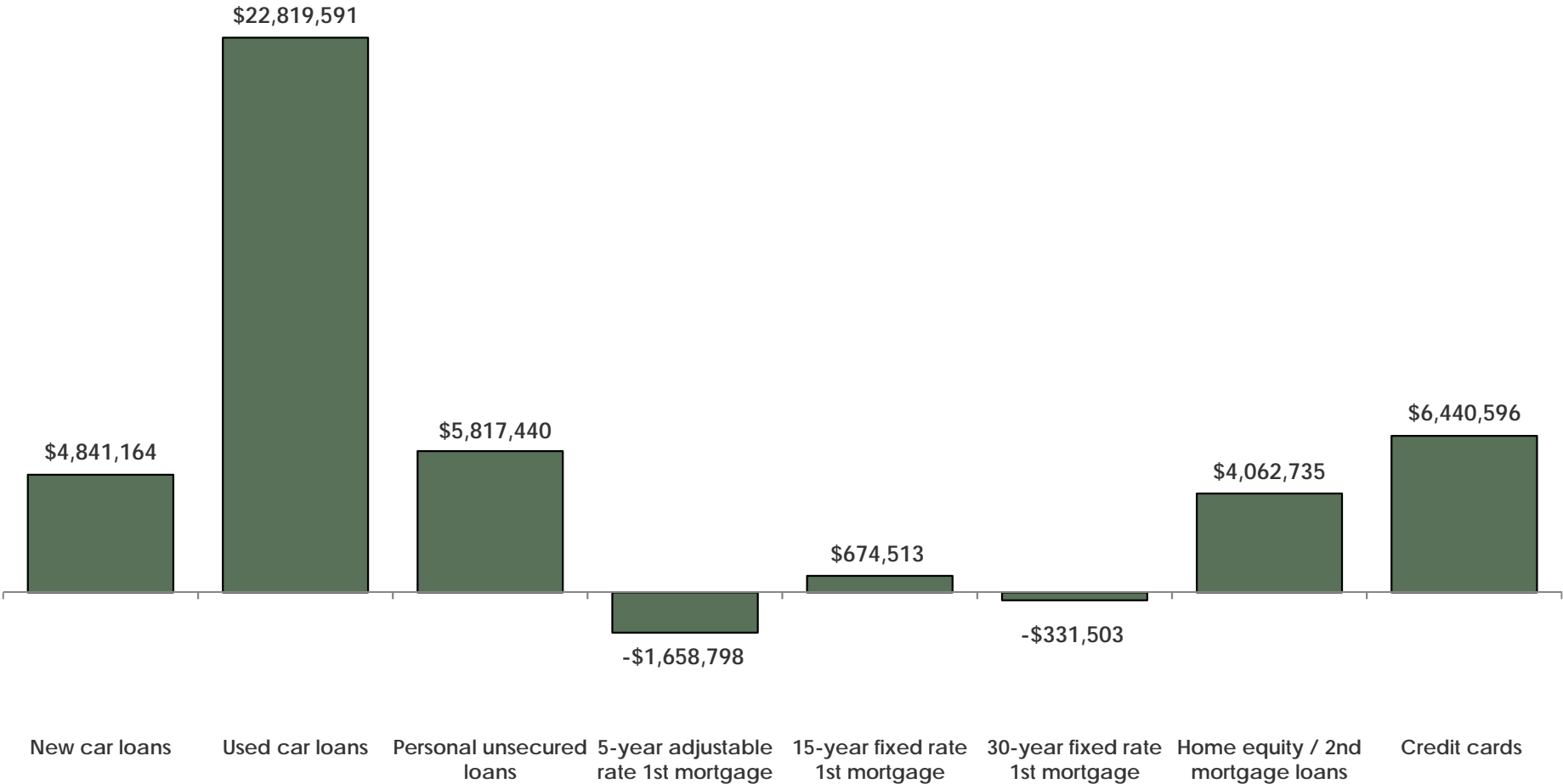
Maine Credit Union and Banking Institution December 2018 Average Interest Rates and Fees

Loan Products	Average Rate at Credit Unions (%)	Average Rate at Banks (%)	Rate Difference vs. Banks (%)
60-month new car (A paper)	3.46	4.96	-1.51
48-month used car (A paper)	3.38	5.26	-1.88
Unsecured loan (A paper)	9.00	11.53	-2.53
5-year adjustable rate 1st mortgage, 0 pts	4.59	4.31	0.28
15-year fixed rate 1st mortgage, 0 pts	4.61	4.70	-0.09
30-year fixed rate 1st mortgage, 0 pts	5.10	5.07	0.02
Home equity / 2nd mtg, 80% LTV 0 pts	5.10	5.82	-0.72
Credit card - rewards	11.46	15.33	-3.87
Credit card - platinum	10.32	13.88	-3.56
Savings Products			
Regular savings, \$1,000 balance	0.13	0.08	0.05
Share draft checking, \$5,000 balance	0.11	0.06	0.05
Money market accounts	0.47	0.10	0.37
1 Year certificate \$10,000 balance	1.40	0.54	0.86
Retirement (IRA) accounts	0.94	0.32	0.62
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

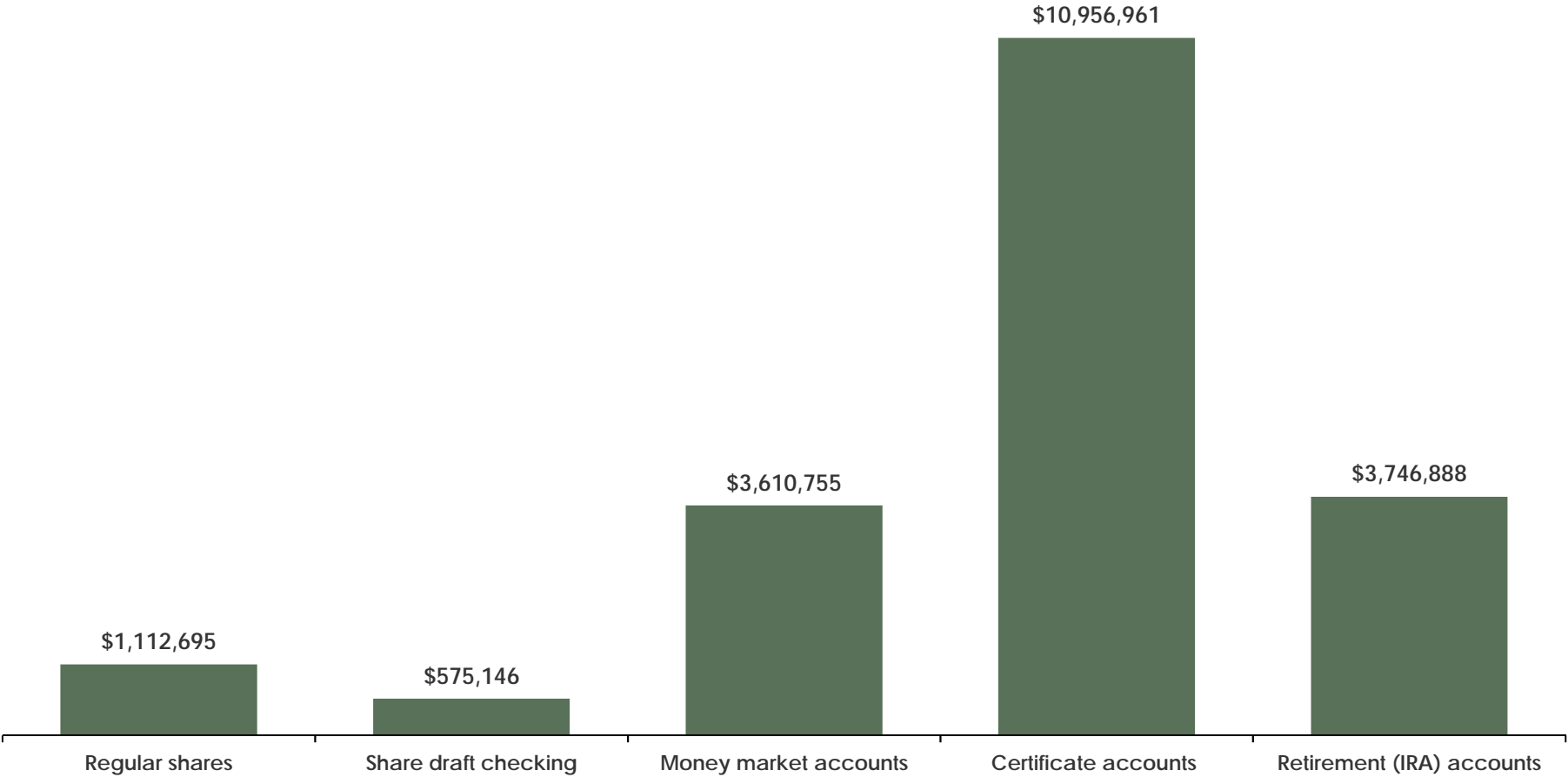
State Credit Union's Total Loan Rate Benefits

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 December 2018

Loans	Avg. Balance at Credit Unions (1)	Rate Difference vs. Maine Banks (%) (2)	Total Financial Benefit to Your Members
New car loans	321,672,053	-1.51	\$4,841,164
Used car loans	1,213,808,046	-1.88	\$22,819,591
Personal unsecured loans	229,847,507	-2.53	\$5,817,440
5-year adjustable rate 1st mortgage	592,427,812	0.28	-\$1,658,798
15-year fixed rate 1st mortgage	725,282,801	-0.09	\$674,513
30-year fixed rate 1st mortgage	1,578,586,366	0.02	-\$331,503
Home equity / 2nd mortgage loans	562,705,656	-0.72	\$4,062,735
Credit cards	169,947,781	-3.87	\$6,440,596
Interest rebates			\$352,021
Total CU member benefits arising from lower interest rates on loan products:			\$43,017,760
Savings			
Regular shares	2,418,901,273	0.05	\$1,112,695
Share draft checking	1,106,049,707	0.05	\$575,146
Money market accounts	975,879,858	0.37	\$3,610,755
Certificate accounts	1,271,109,151	0.86	\$10,956,961
Retirement (IRA) accounts	608,261,020	0.62	\$3,746,888
Bonus dividends in period			\$0
Total CU member benefit arising from higher interest rates on savings products:			\$20,002,445
Fee Income			
Total CU member benefit arising from fewer / lower fees:			\$8,352,672
Total CU member benefit arising from interest rates on loans, savings products and lower fees:			\$71,372,877
Total CU member benefit / member:			\$103
Total CU member benefit / member household:			\$217

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;

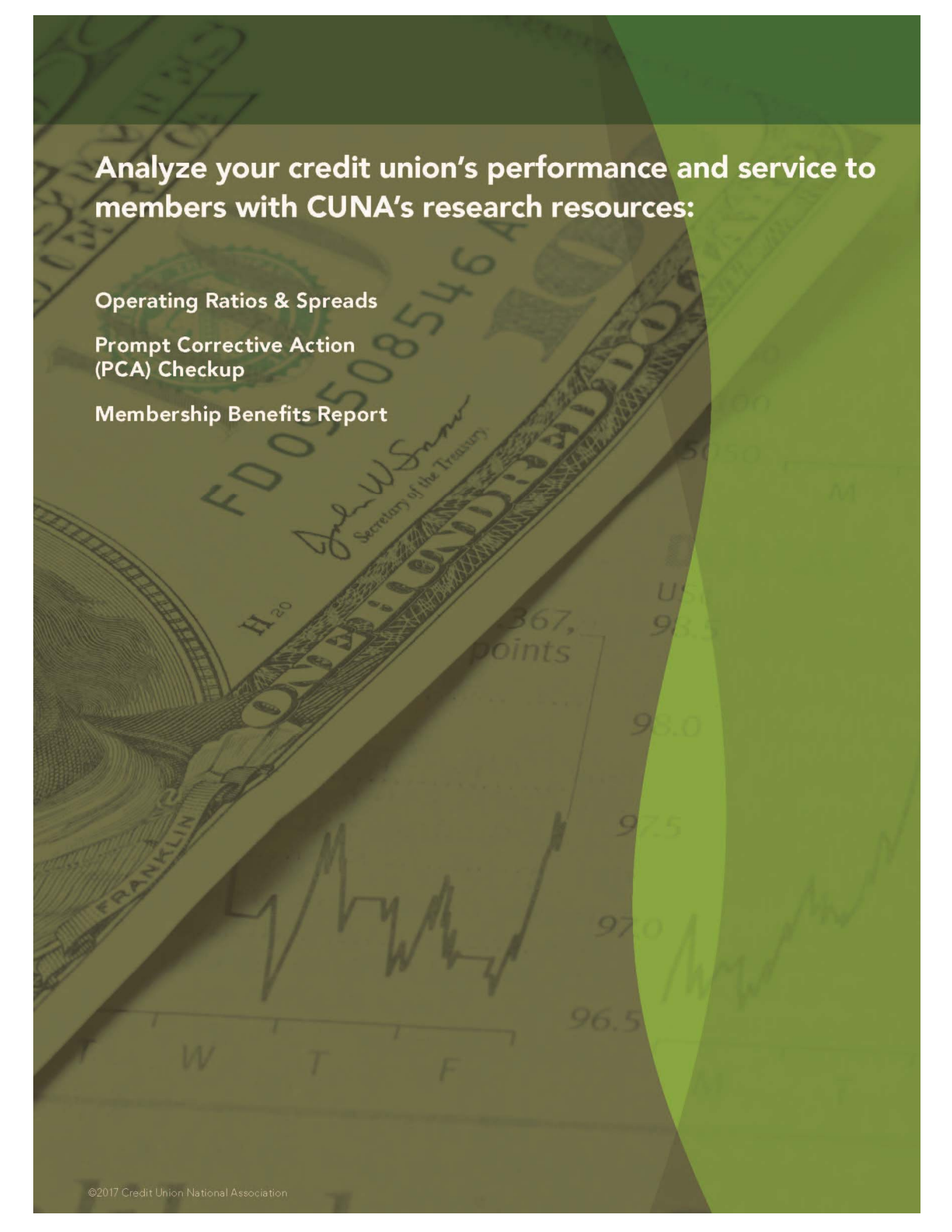
Membership Benefits Report

CUNA Economics and Statistics

Maine Credit Union Performance Profile

Demographic Information	Dec 18	Dec 17
Number of branches	190	189
Total assets (\$ mil)	7,967	7,555
Total loans (\$ mil)	6,048	5,590
Total surplus funds (\$ mil)	1,508	1,561
Total savings (\$ mil)	6,765	6,409
Total members (thousands)	702	686
Growth Rates (Trailing 12 months) *		
Total assets	6.3 %	6.8 %
Total loans	9.1 %	9.9 %
Total surplus funds	-2.4 %	-2.7 %
Total savings	6.5 %	6.4 %
Total members	3.6 %	2.6 %
Earnings - Basis Pts. *		
Yield on total assets	415	392
Dividend / interest cost of assets	62	51
Fee & other income	143	142
Operating expense	390	384
Loss Provisions	24	25
Net Income (ROA) after stabilization exp	83	74
Capital Adequacy		
Net worth / assets	11.1	10.9
Asset Quality *		
Delinquencies / loans	0.7	0.8
Net chargeoffs / average loans	0.3	0.3
Total borrower-bankruptcies	10	8
Bankruptcies per 1000 members	0.8	0.7
Asset/Liability Management		
Loans / savings	89.4	87.2
Loans / assets	75.9	74.0
Long-term assets / assets	41.9	41.5
Core deposits/shares & borrowings	52.6	52.5
Productivity		
Members / potential members	6.2	6.2
Borrowers / members	68.7	65.3
Members / FTE	312	317
Average shares / members (\$)	9,633	9,338
Average loan balances (\$)	12,529	12,480
Salary & Benefits / FTE	65,485	63,393

* 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