

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 \$38,866,813 in direct financial benefits to the state's 356,242 members during the twelve months ending December 2018.

**These benefits are equivalent to \$109 per member or \$229 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 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 \$184 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.

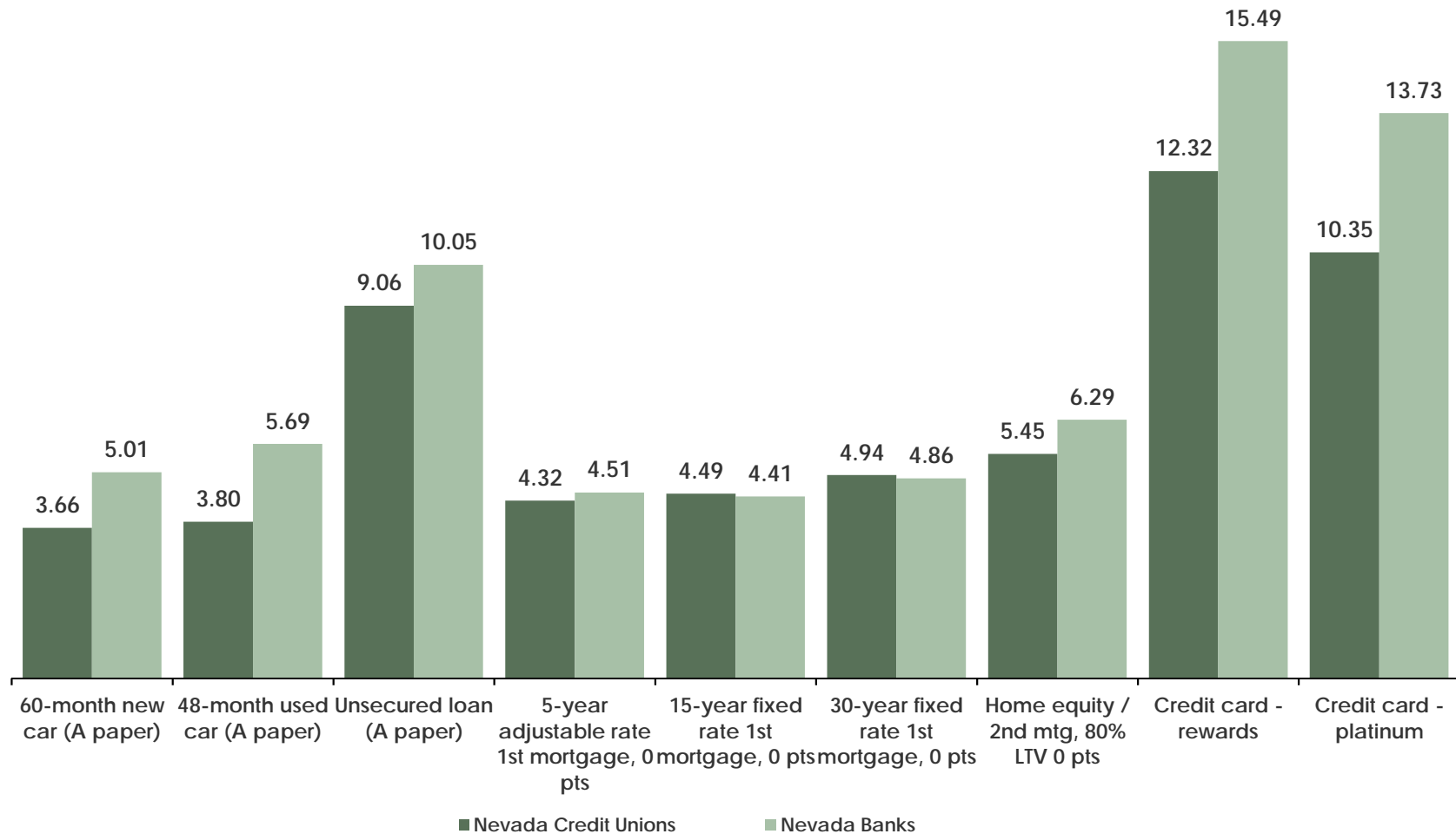
Nevada credit unions excel in providing member benefits on many loan and savings products. In particular, Nevada credit unions offer lower average loan rates on the following accounts: new car loans, used car loans, personal unsecured loans, first mortgage-adjustable rate, home equity loans, credit cards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

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



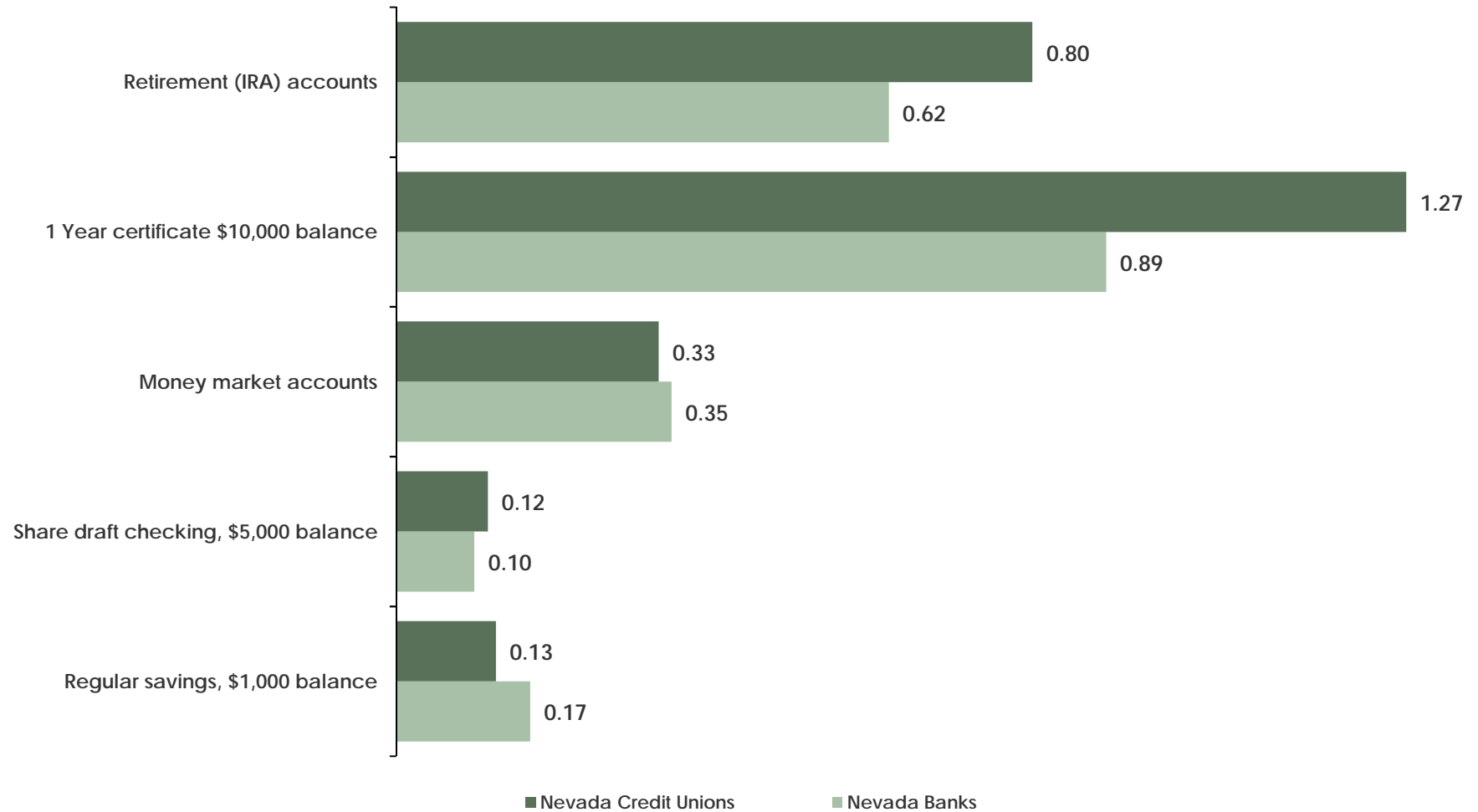
## Loan Product Comparative Interest Rates (%)

by Loan Type



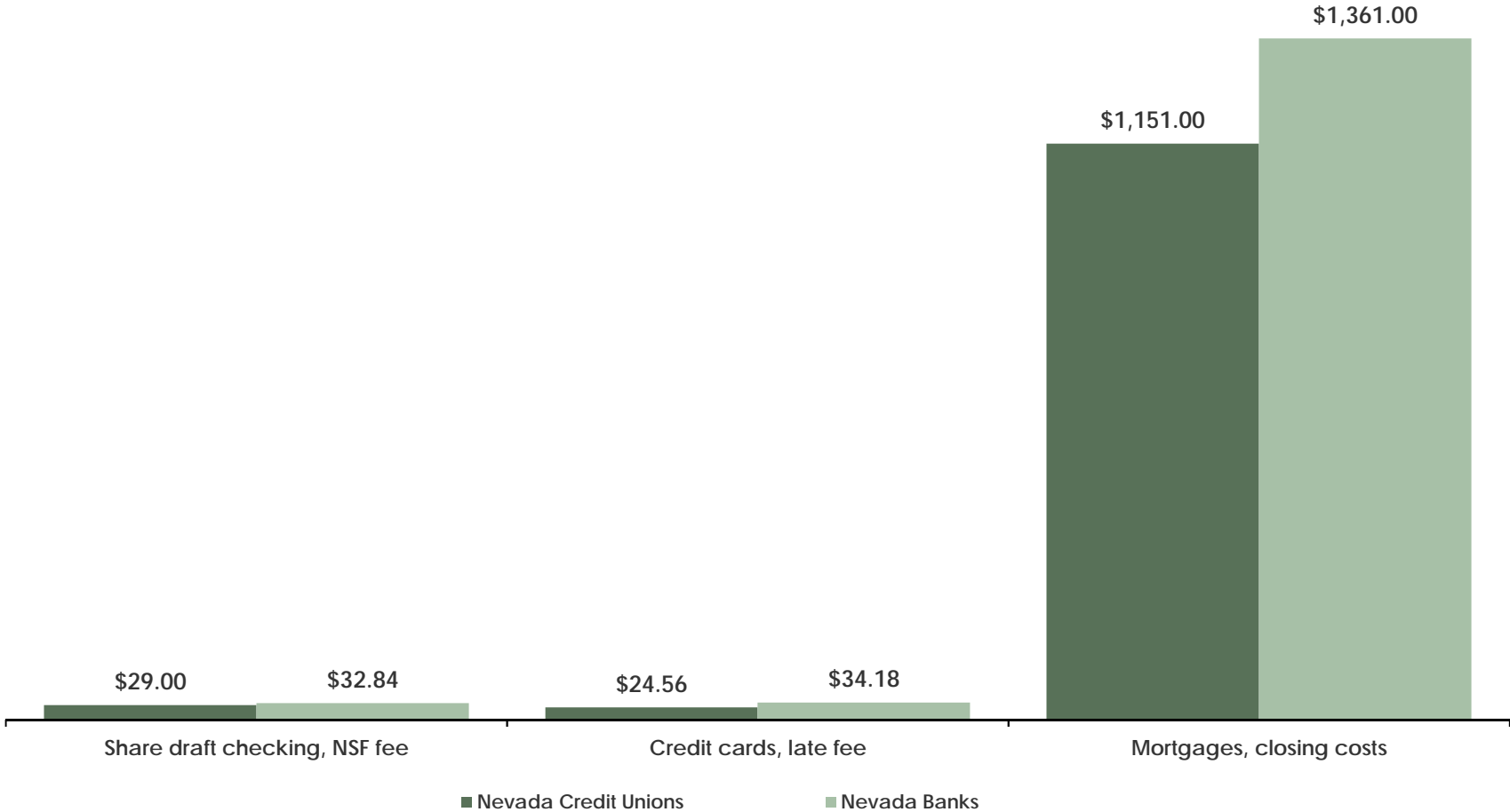
## Savings Product Comparative Interest Rates (%)

### by Savings Account Type



## Comparative Fees

by Type



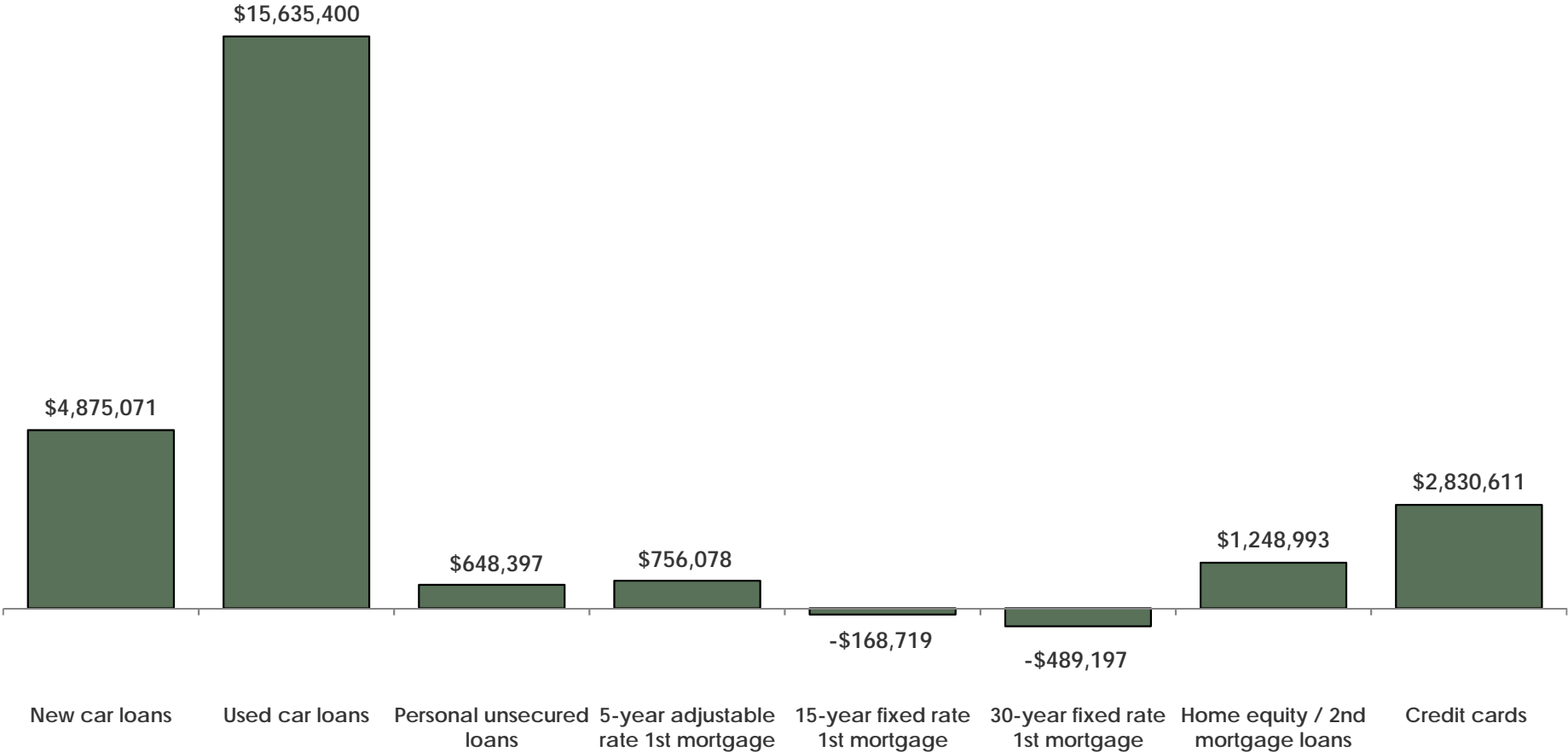
## Nevada Credit Union and Banking Institution December 2018 Average Interest Rates and Fees

Loan Products	Average Rate at Credit Unions (%)	Average Rate at Banks (%)	Rate Difference vs. Banks (%)
60-month new car (A paper)	3.66	5.01	-1.35
48-month used car (A paper)	3.80	5.69	-1.89
Unsecured loan (A paper)	9.06	10.05	-0.99
5-year adjustable rate 1st mortgage, 0 pts	4.32	4.51	-0.19
15-year fixed rate 1st mortgage, 0 pts	4.49	4.41	0.07
30-year fixed rate 1st mortgage, 0 pts	4.94	4.86	0.08
Home equity / 2nd mtg, 80% LTV 0 pts	5.45	6.29	-0.83
Credit card - rewards	12.32	15.49	-3.16
Credit card - platinum	10.35	13.73	-3.38
Savings Products			
Regular savings, \$1,000 balance	0.13	0.17	-0.04
Share draft checking, \$5,000 balance	0.12	0.10	0.02
Money market accounts	0.33	0.35	-0.02
1 Year certificate \$10,000 balance	1.27	0.89	0.38
Retirement (IRA) accounts	0.80	0.62	0.18
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

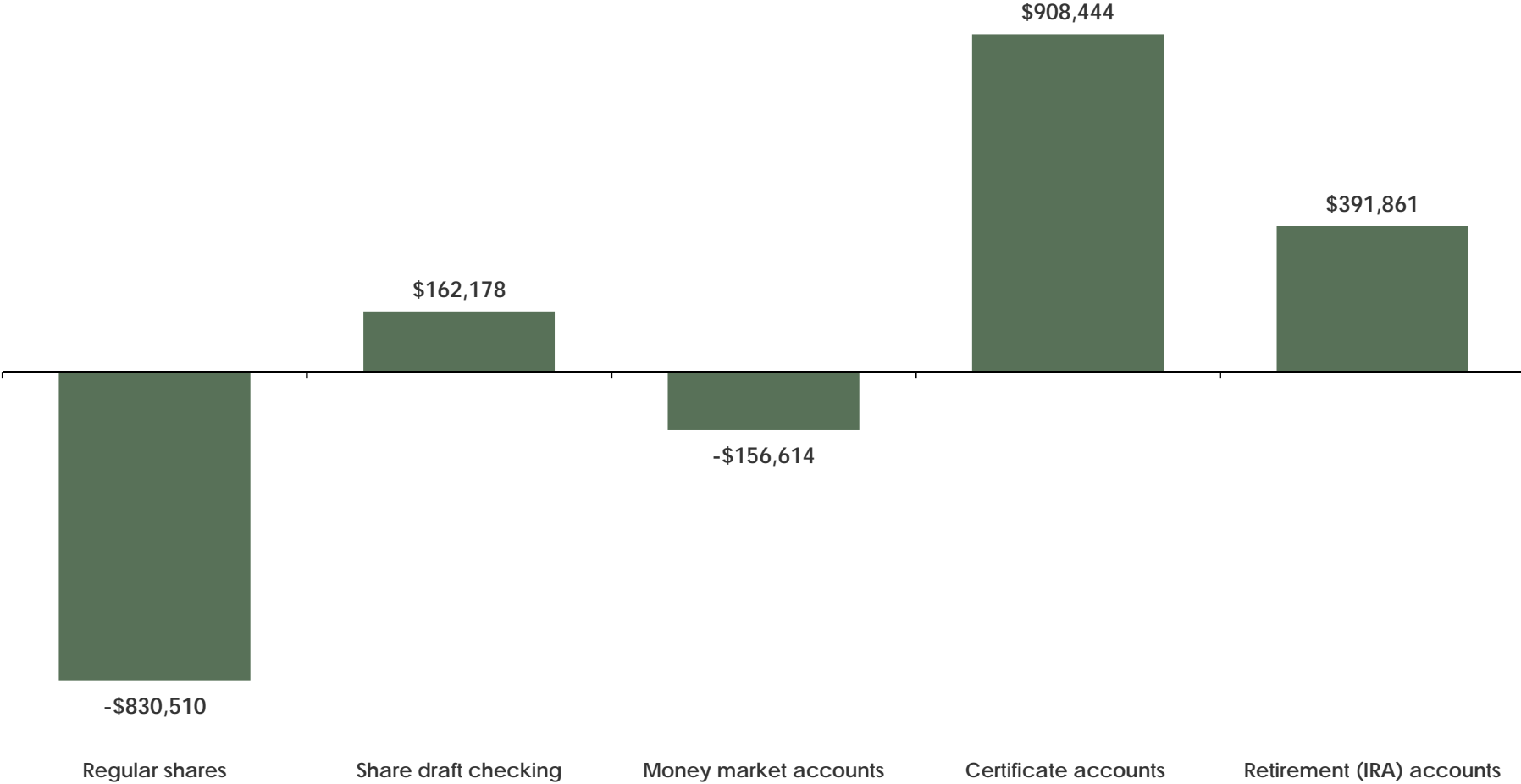
### State Credit Union's Total Loan Rate Benefits

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 December 2018

Loans	Avg. Balance at Credit Unions (1)	Rate Difference vs. Nevada Banks (%) (2)	Total Financial Benefit to Your Members
New car loans	361,116,387	-1.35	\$4,875,071
Used car loans	826,832,375	-1.89	\$15,635,400
Personal unsecured loans	65,494,639	-0.99	\$648,397
5-year adjustable rate 1st mortgage	389,730,804	-0.19	\$756,078
15-year fixed rate 1st mortgage	227,998,368	0.07	-\$168,719
30-year fixed rate 1st mortgage	643,679,863	0.08	-\$489,197
Home equity / 2nd mortgage loans	149,939,084	-0.83	\$1,248,993
Credit cards	87,968,634	-3.16	\$2,830,611
Interest rebates			\$3,162,035
<b>Total CU member benefits arising from lower interest rates on loan products:</b>			\$28,498,669
Savings			
Regular shares	1,931,417,808	-0.04	-\$830,510
Share draft checking	953,985,516	0.02	\$162,178
Money market accounts	978,834,592	-0.02	-\$156,614
Certificate accounts	241,607,351	0.38	\$908,444
Retirement (IRA) accounts	217,700,668	0.18	\$391,861
Bonus dividends in period			\$0
<b>Total CU member benefit arising from higher interest rates on savings products:</b>			\$475,359
Fee Income			
<b>Total CU member benefit arising from fewer / lower fees:</b>			\$9,892,785
<b>Total CU member benefit arising from interest rates on loans, savings products and lower fees:</b>			\$38,866,813
<b>Total CU member benefit / member:</b>			\$109
<b>Total CU member benefit / member household:</b>			\$229

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

## Nevada Credit Union Performance Profile

Demographic Information	Dec 18	Dec 17
Number of branches	71	70
Total assets (\$ mil)	5,083	4,849
Total loans (\$ mil)	3,149	2,796
Total surplus funds (\$ mil)	1,708	1,847
Total savings (\$ mil)	4,433	4,244
Total members (thousands)	359	355
Growth Rates (Trailing 12 months) *		
Total assets	5.1 %	10.0 %
Total loans	12.7 %	11.9 %
Total surplus funds	-6.9 %	6.9 %
Total savings	4.8 %	8.7 %
Total members	1.4 %	5.5 %
Earnings - Basis Pts. *		
Yield on total assets	359	327
Dividend / interest cost of assets	31	30
Fee & other income	223	231
Operating expense	390	389
Loss Provisions	28	19
Net Income (ROA) after stabilization exp	132	119
Capital Adequacy		
Net worth / assets	11.7	11.0
Asset Quality *		
Delinquencies / loans	0.6	0.6
Net chargeoffs / average loans	0.5	0.5
Total borrower-bankruptcies	49	43
Bankruptcies per 1000 members	2.0	1.9
Asset/Liability Management		
Loans / savings	71.0	65.9
Loans / assets	61.9	57.7
Long-term assets / assets	33.6	30.8
Core deposits/shares & borrowings	67.4	65.7
Productivity		
Members / potential members	5.6	5.6
Borrowers / members	50.6	49.8
Members / FTE	298	307
Average shares / members (\$)	12,359	11,951
Average loan balances (\$)	17,358	15,820
Salary & Benefits / FTE	78,195	74,385

\* 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.