

CUNA Oklahoma  
**MEMBERSHIP BENEFITS  
REPORT**

## Oklahoma

### 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 Oklahoma credit unions provided \$165,683,595 in direct financial benefits to the state's 1,271,030 members during the twelve months ending December 2018.

**These benefits are equivalent to \$130 per member or \$274 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 Oklahoma 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 Oklahoma credit unions.

Consider this:

**Financing a \$25,000 new automobile for 60 months at a Oklahoma credit union will save members an average \$199 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.

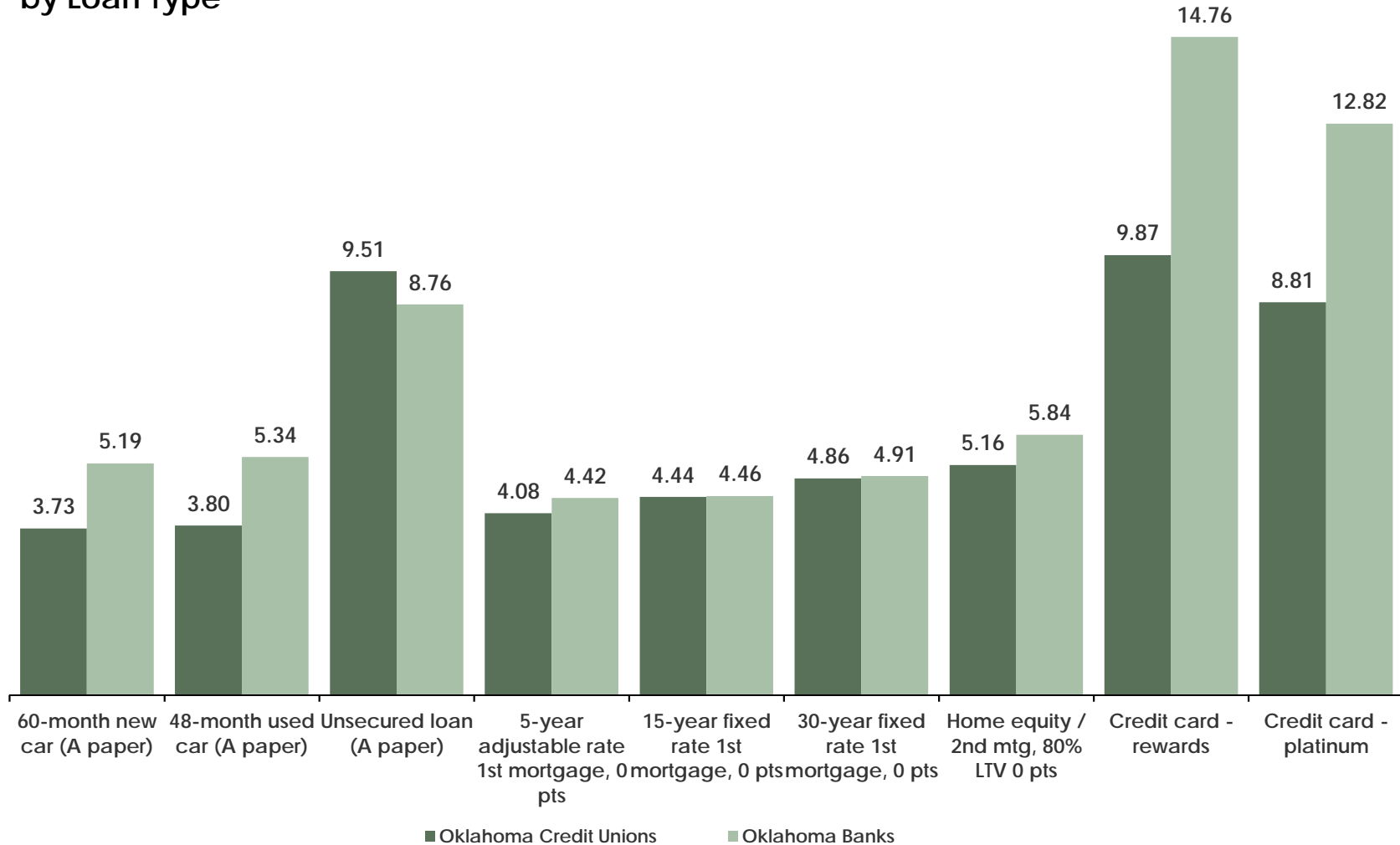
Oklahoma credit unions excel in providing member benefits on many loan and savings products. In particular, Oklahoma credit unions offer lower average loan rates on the following accounts: new car loans, used car loans, first mortgage-fixed rate, first mortgage-adjustable rate, home equity loans, credit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

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



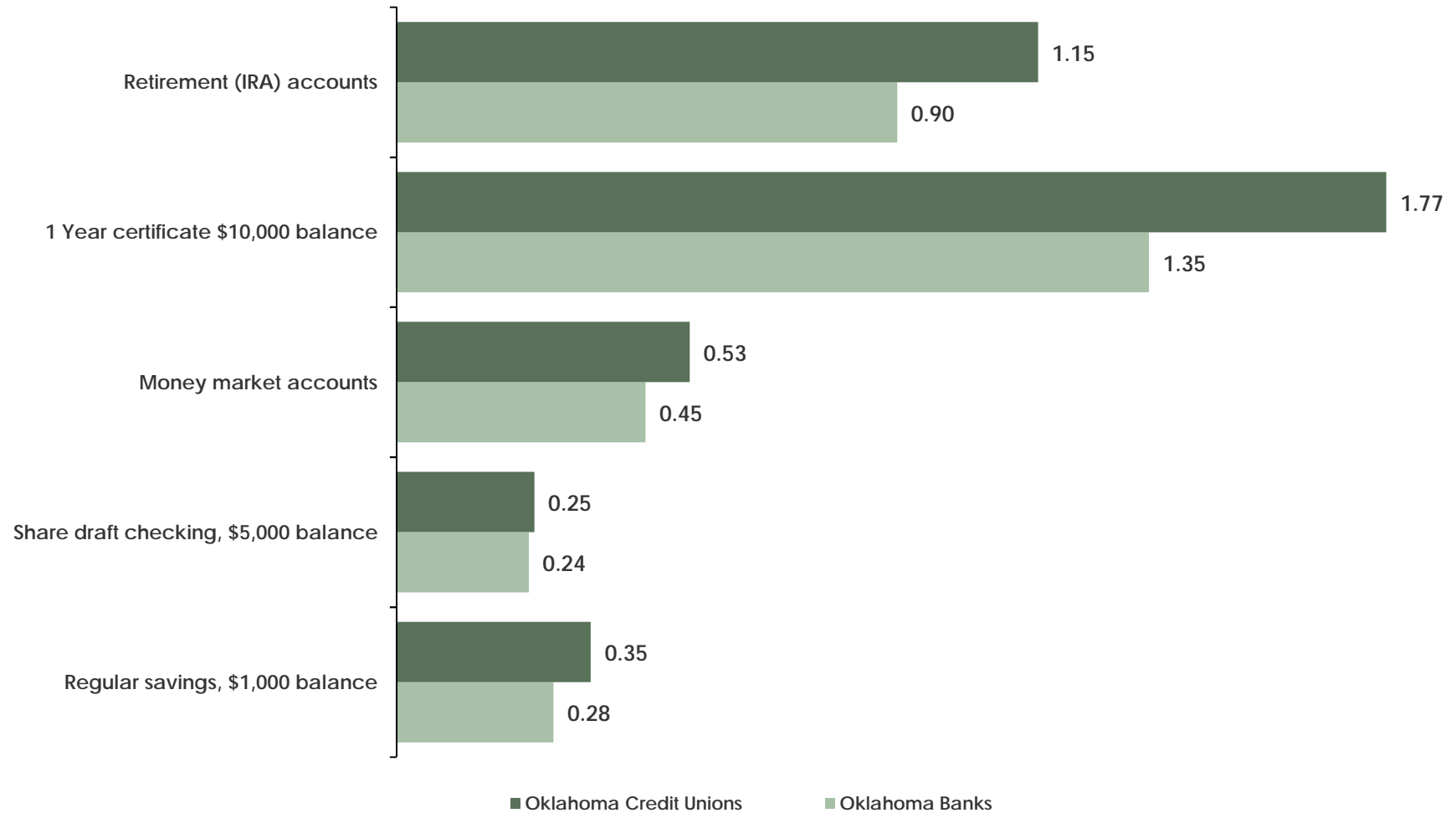
## Loan Product Comparative Interest Rates (%)

by Loan Type



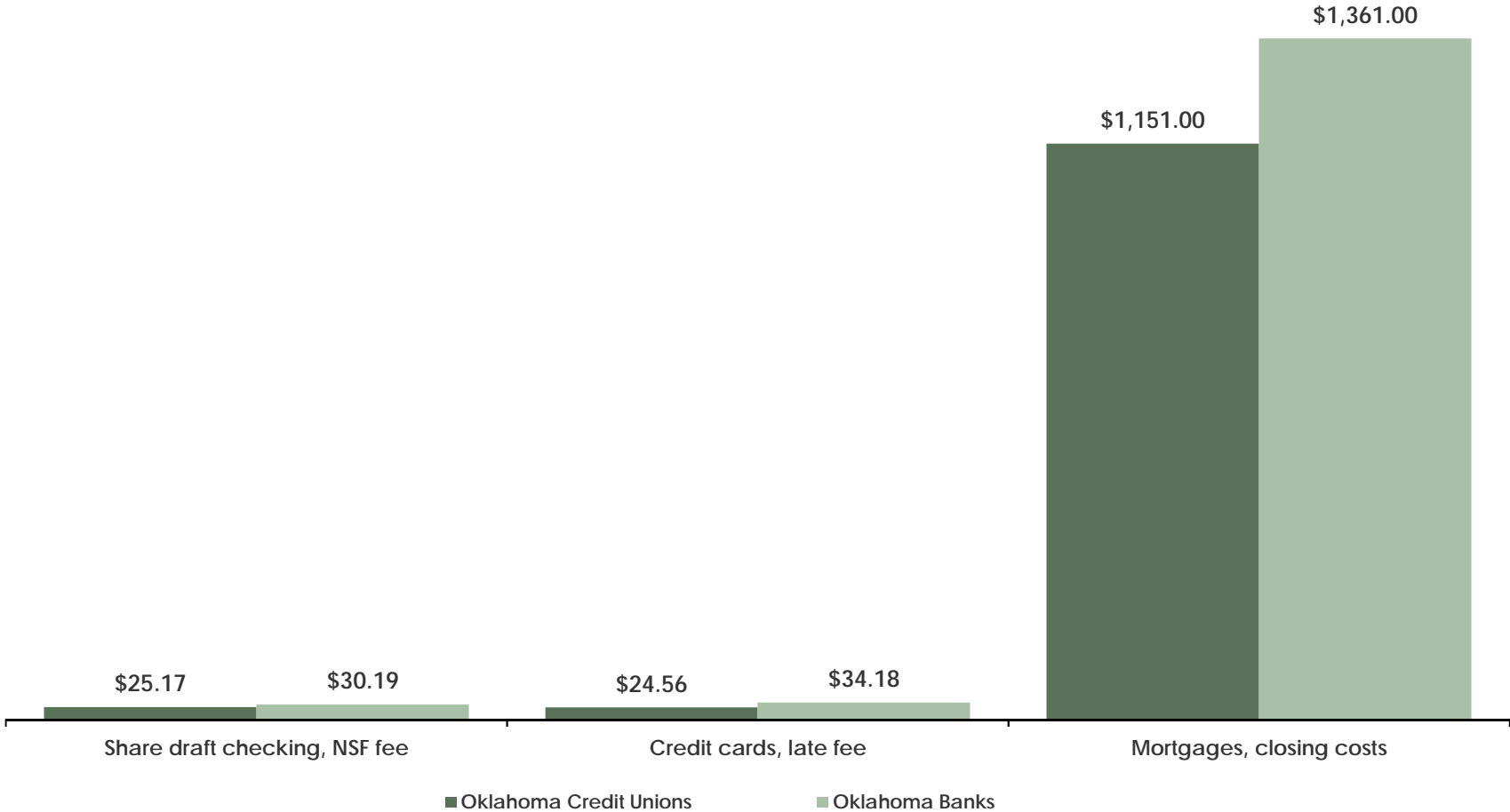
## Savings Product Comparative Interest Rates (%)

### by Savings Account Type



## Comparative Fees

by Type



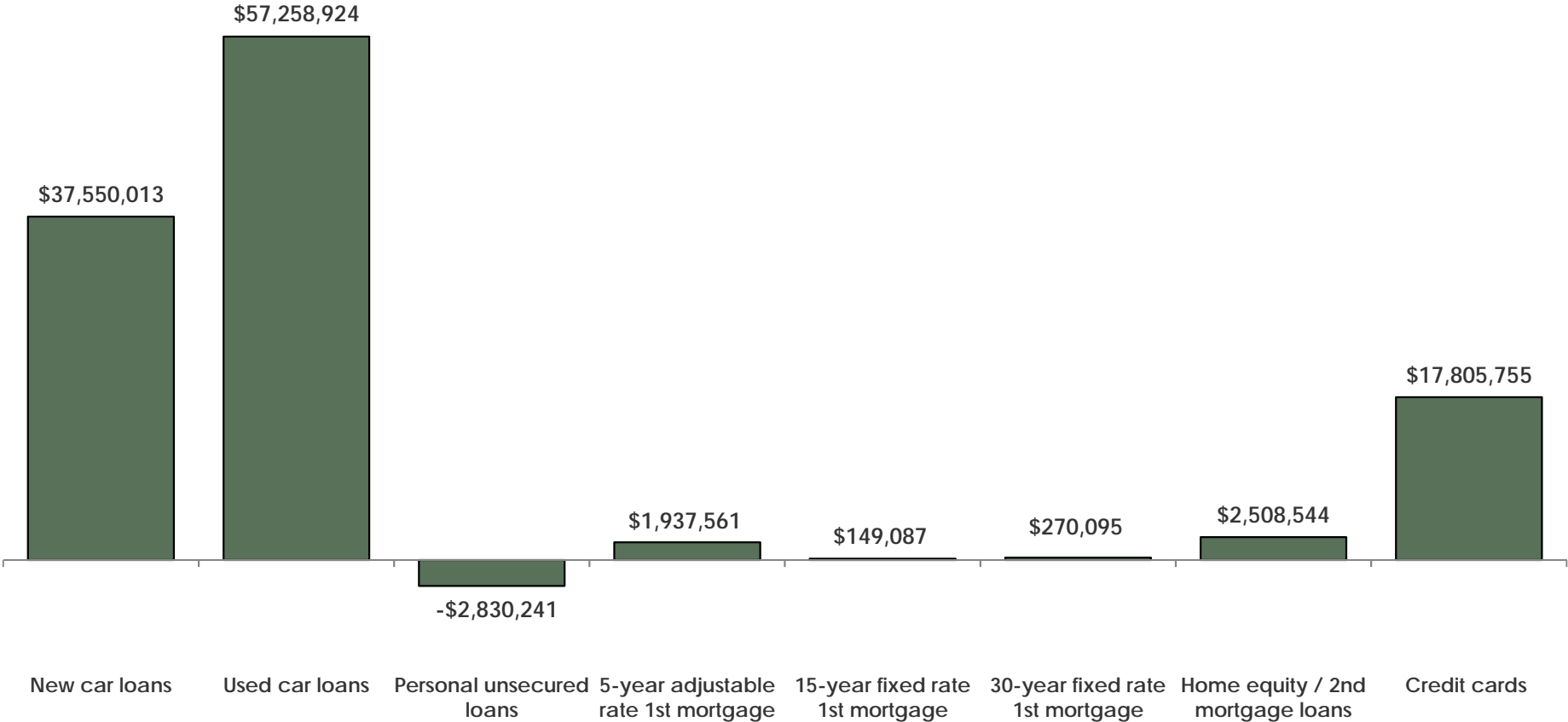
## Oklahoma Credit Union and Banking Institution December 2018 Average Interest Rates and Fees

Loan Products	Average Rate at Credit Unions (%)	Average Rate at Banks (%)	Rate Difference vs. Banks (%)
60-month new car (A paper)	3.73	5.19	-1.46
48-month used car (A paper)	3.80	5.34	-1.54
Unsecured loan (A paper)	9.51	8.76	0.75
5-year adjustable rate 1st mortgage, 0 pts	4.08	4.42	-0.35
15-year fixed rate 1st mortgage, 0 pts	4.44	4.46	-0.02
30-year fixed rate 1st mortgage, 0 pts	4.86	4.91	-0.05
Home equity / 2nd mtg, 80% LTV 0 pts	5.16	5.84	-0.68
Credit card - rewards	9.87	14.76	-4.89
Credit card - platinum	8.81	12.82	-4.01
Savings Products			
Regular savings, \$1,000 balance	0.35	0.28	0.07
Share draft checking, \$5,000 balance	0.25	0.24	0.01
Money market accounts	0.53	0.45	0.08
1 Year certificate \$10,000 balance	1.77	1.35	0.43
Retirement (IRA) accounts	1.15	0.90	0.25
Fee Income			
Share draft checking, NSF fee	\$25.17	\$30.19	-\$5.03
Credit cards, late fee	\$24.56	\$34.18	-\$9.62
Mortgages, closing costs	\$1,151.00	\$1,361.00	-\$210.00

Source: Datatrac

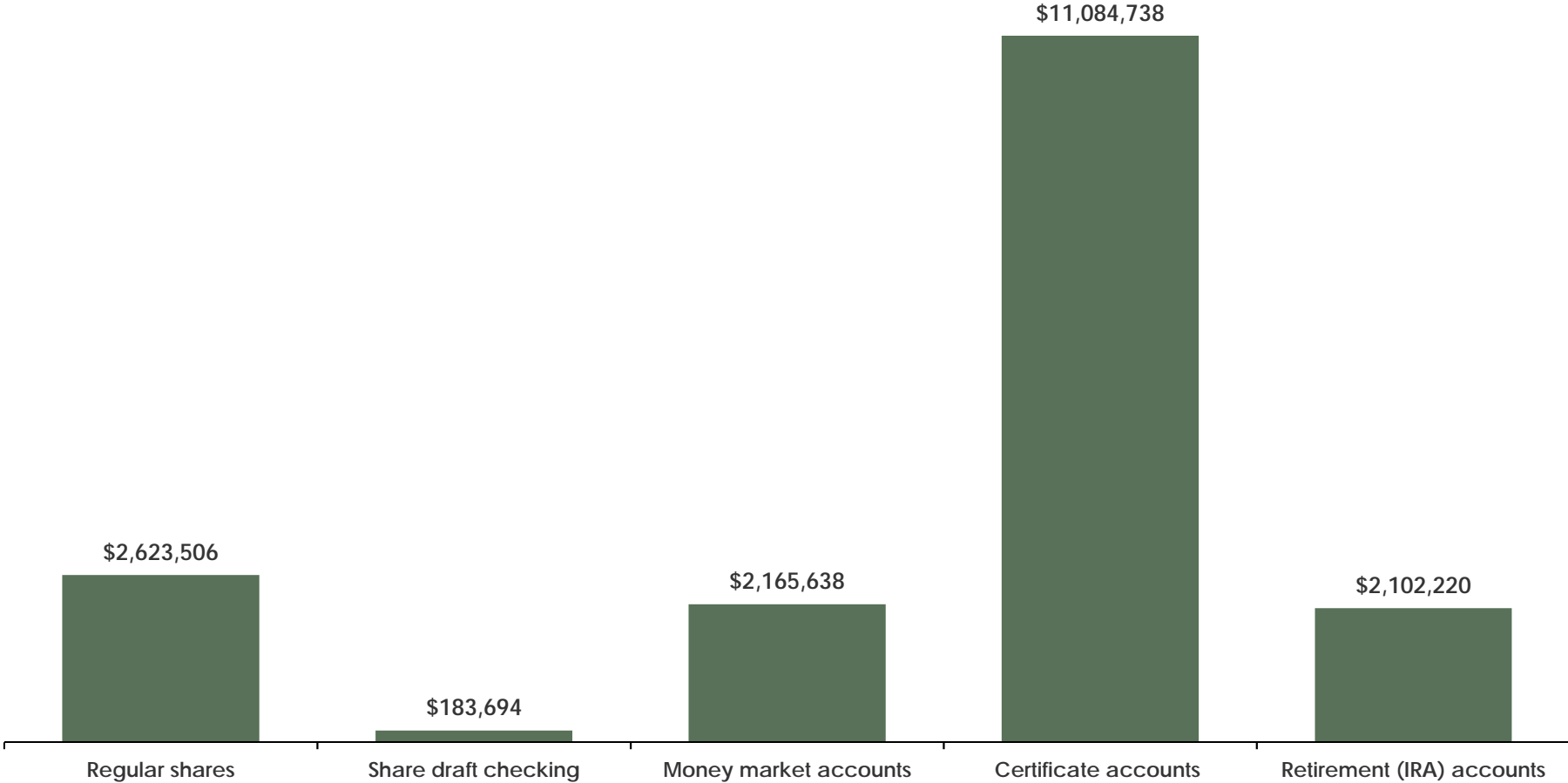
### State Credit Union's Total Loan Rate Benefits

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 Oklahoma Credit Unions December 2018

<b>Loans</b>	<b>Avg. Balance at Credit Unions (1)</b>	<b>Rate Difference vs. Oklahoma Banks (%) (2)</b>	<b>Total Financial Benefit to Your Members</b>
New car loans	2,571,918,696	-1.46	\$37,550,013
Used car loans	3,722,946,915	-1.54	\$57,258,924
Personal unsecured loans	378,374,502	0.75	-\$2,830,241
5-year adjustable rate 1st mortgage	561,611,969	-0.35	\$1,937,561
15-year fixed rate 1st mortgage	677,668,889	-0.02	\$149,087
30-year fixed rate 1st mortgage	540,189,517	-0.05	\$270,095
Home equity / 2nd mortgage loans	368,903,579	-0.68	\$2,508,544
Credit cards	381,116,340	-4.89	\$17,805,755
Interest rebates			\$108,685
<b>Total CU member benefits arising from lower interest rates on loan products:</b>			<b>\$114,758,423</b>
<b>Savings</b>			
Regular shares	3,915,680,482	0.07	\$2,623,506
Share draft checking	1,836,935,152	0.01	\$183,694
Money market accounts	2,741,314,461	0.08	\$2,165,638
Certificate accounts	2,608,173,634	0.43	\$11,084,738
Retirement (IRA) accounts	834,214,141	0.25	\$2,102,220
Bonus dividends in period			\$0
<b>Total CU member benefit arising from higher interest rates on savings products:</b>			<b>\$18,159,795</b>
<b>Fee Income</b>			
<b>Total CU member benefit arising from fewer / lower fees:</b>			<b>\$32,765,376</b>
<b>Total CU member benefit arising from interest rates on loans, savings products and lower fees:</b>			<b>\$165,683,595</b>
<b>Total CU member benefit / member:</b>			<b>\$130</b>
<b>Total CU member benefit / member household:</b>			<b>\$274</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

## Oklahoma Credit Union Performance Profile

Demographic Information	Dec 18	Dec 17
Number of branches	240	235
Total assets (\$ mil)	14,641	14,076
Total loans (\$ mil)	10,357	9,699
Total surplus funds (\$ mil)	3,701	3,803
Total savings (\$ mil)	12,228	11,888
Total members (thousands)	1,291	1,252
Growth Rates (Trailing 12 months) *		
Total assets	4.0 %	2.5 %
Total loans	6.8 %	6.2 %
Total surplus funds	-2.7 %	-6.2 %
Total savings	2.9 %	2.2 %
Total members	3.1 %	2.3 %
Earnings - Basis Pts. *		
Yield on total assets	374	352
Dividend / interest cost of assets	71	55
Fee & other income	139	134
Operating expense	310	306
Loss Provisions	48	62
Net Income (ROA) after stabilization exp	84	64
Capital Adequacy		
Net worth / assets	11.7	11.4
Asset Quality *		
Delinquencies / loans	0.7	0.8
Net chargeoffs / average loans	0.7	0.9
Total borrower-bankruptcies	80	84
Bankruptcies per 1000 members	3.7	4.0
Asset/Liability Management		
Loans / savings	84.7	81.6
Loans / assets	70.7	68.9
Long-term assets / assets	22.5	23.0
Core deposits/shares & borrowings	46.7	46.9
Productivity		
Members / potential members	13.8	13.3
Borrowers / members	59.3	59.3
Members / FTE	378	380
Average shares / members (\$)	9,476	9,498
Average loan balances (\$)	13,535	13,067
Salary & Benefits / FTE	67,351	66,422

\* 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.