

CUNA Oregon  
**MEMBERSHIP BENEFITS  
REPORT**

## Oregon

### *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 Oregon credit unions provided \$107,032,921 in direct financial benefits to the state's 1,832,823 members during the twelve months ending December 2018.

**These benefits are equivalent to \$58 per member or \$123 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 Oregon 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 Oregon credit unions.

Consider this:

**Financing a \$25,000 new automobile for 60 months at a Oregon credit union will save members an average \$101 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.

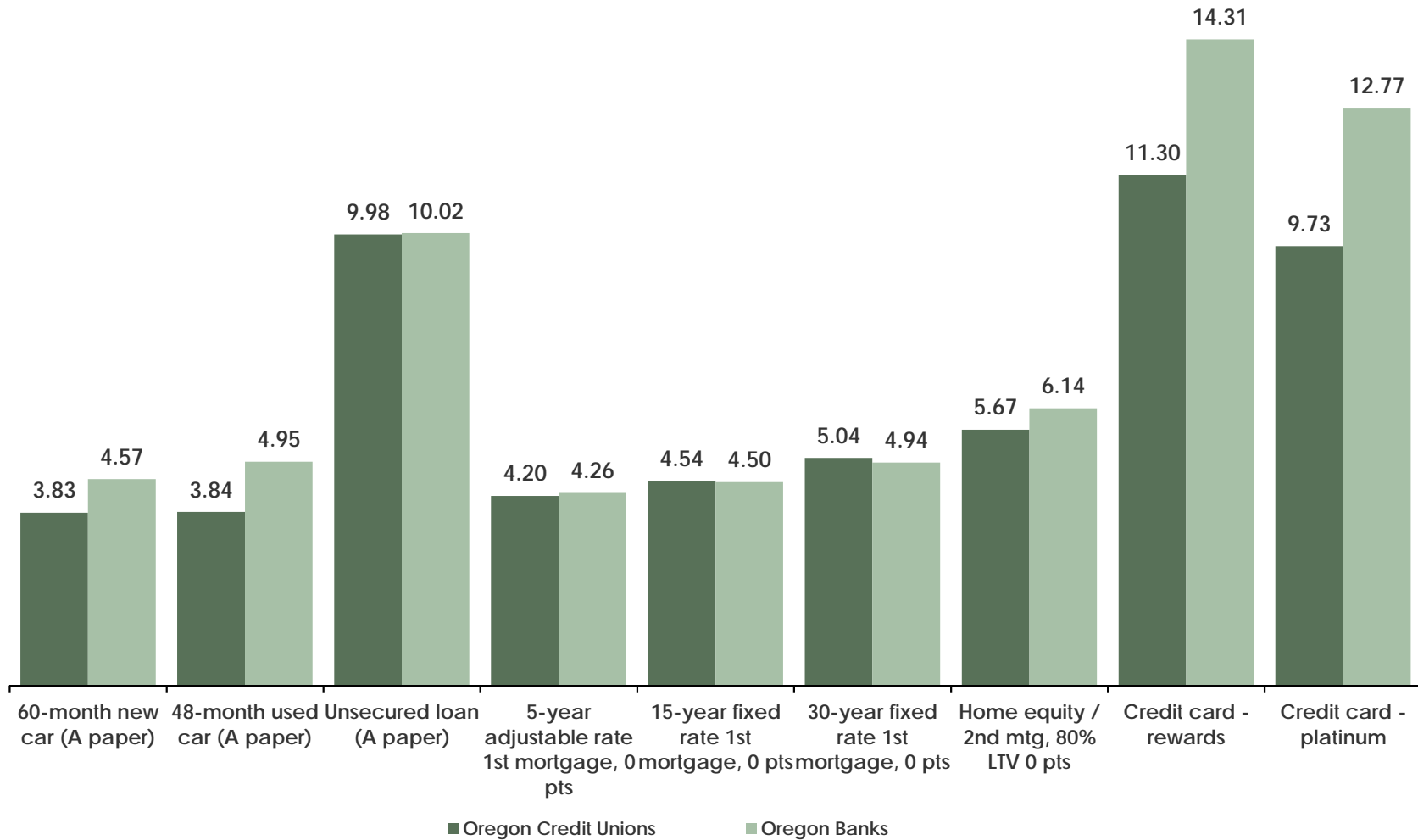
Oregon credit unions excel in providing member benefits on many loan and savings products. In particular, Oregon credit unions offer lower average loan rates on the following accounts: new car loans, used car loans, personal unsecured loans, first mortgage-adjustable rate, home equity loans, credit cards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

Oregon credit unions also pay members higher average dividends on the following accounts: certificate accounts, IRAs.



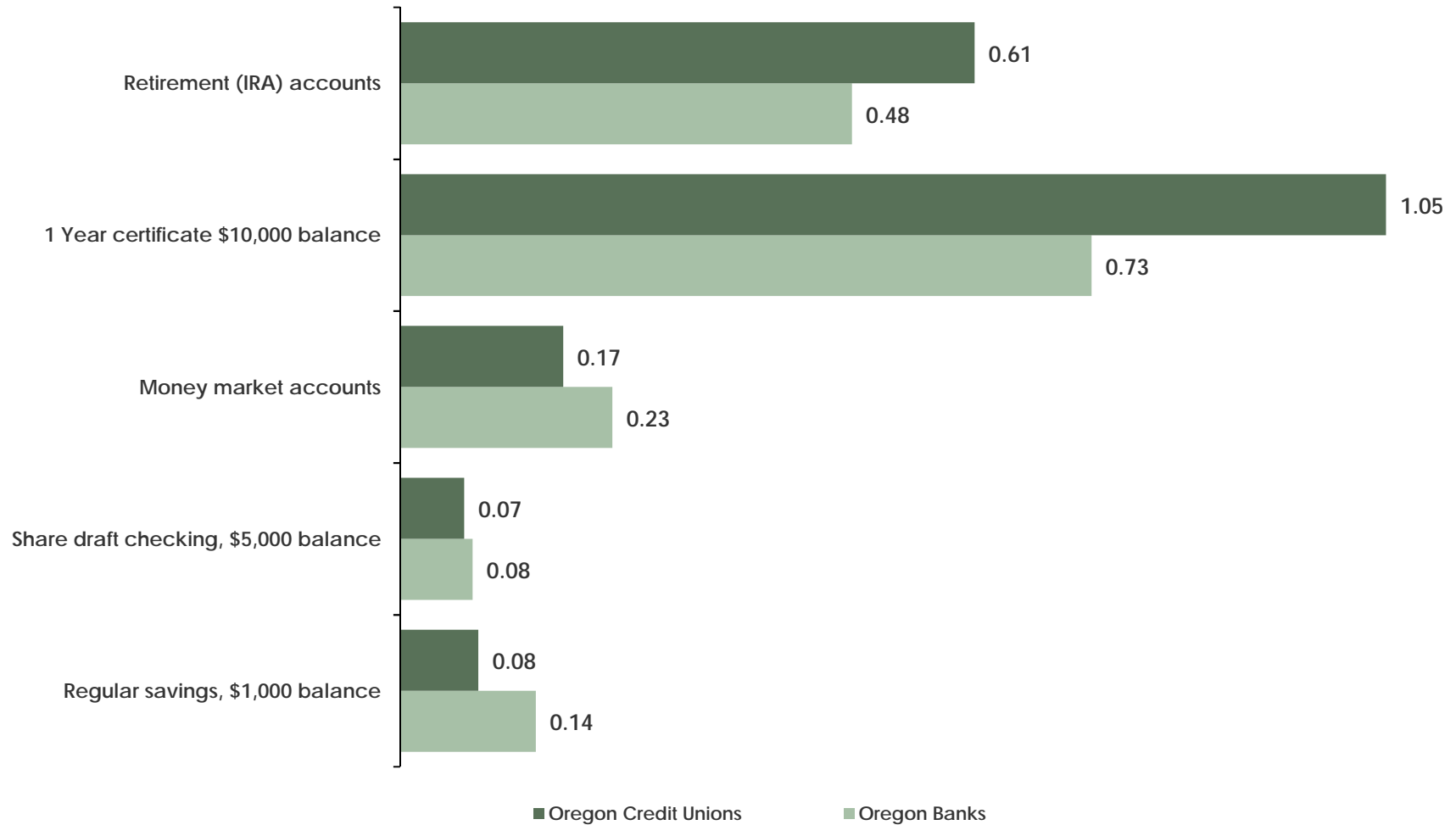
## Loan Product Comparative Interest Rates (%)

by Loan Type



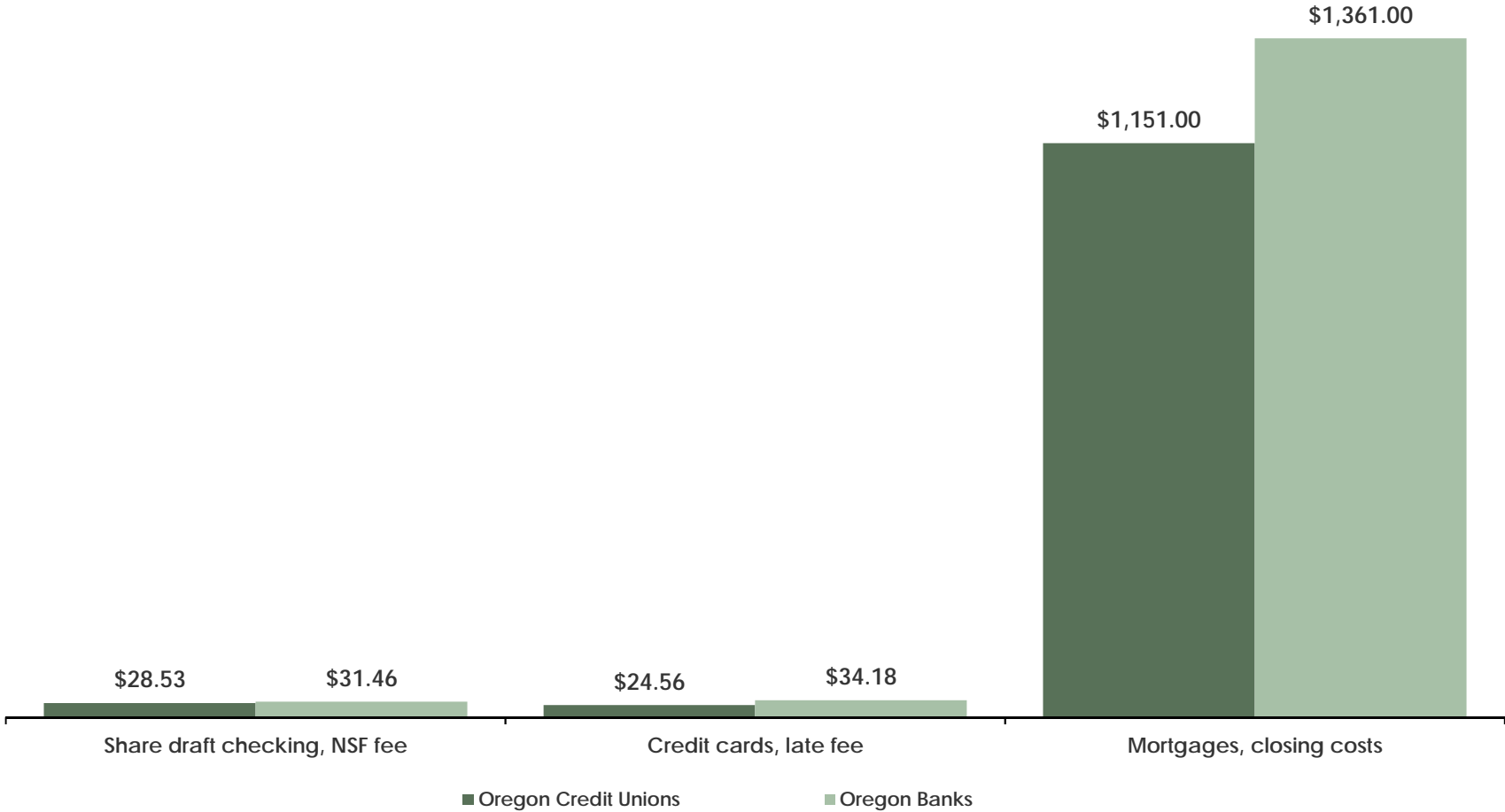
## Savings Product Comparative Interest Rates (%)

### by Savings Account Type



### Comparative Fees

by Type



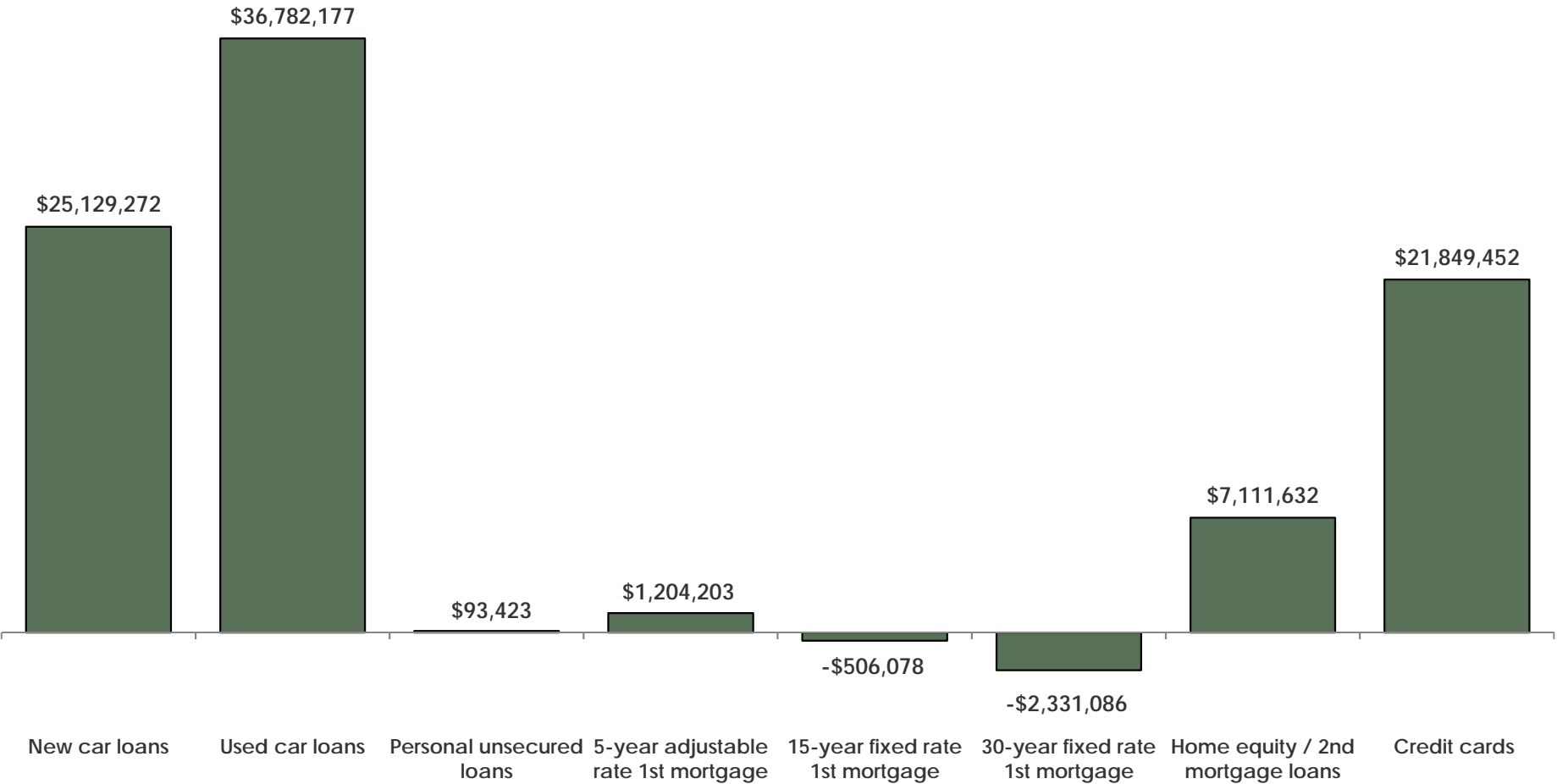
## Oregon Credit Union and Banking Institution December 2018 Average Interest Rates and Fees

Loan Products	Average Rate at Credit Unions (%)	Average Rate at Banks (%)	Rate Difference vs. Banks (%)
60-month new car (A paper)	3.83	4.57	-0.74
48-month used car (A paper)	3.84	4.95	-1.11
Unsecured loan (A paper)	9.98	10.02	-0.03
5-year adjustable rate 1st mortgage, 0 pts	4.20	4.26	-0.06
15-year fixed rate 1st mortgage, 0 pts	4.54	4.50	0.03
30-year fixed rate 1st mortgage, 0 pts	5.04	4.94	0.10
Home equity / 2nd mtg, 80% LTV 0 pts	5.67	6.14	-0.47
Credit card - rewards	11.30	14.31	-3.01
Credit card - platinum	9.73	12.77	-3.04
Savings Products			
Regular savings, \$1,000 balance	0.08	0.14	-0.06
Share draft checking, \$5,000 balance	0.07	0.08	-0.01
Money market accounts	0.17	0.23	-0.05
1 Year certificate \$10,000 balance	1.05	0.73	0.31
Retirement (IRA) accounts	0.61	0.48	0.13
Fee Income			
Share draft checking, NSF fee	\$28.53	\$31.46	-\$2.92
Credit cards, late fee	\$24.56	\$34.18	-\$9.62
Mortgages, closing costs	\$1,151.00	\$1,361.00	-\$210.00

Source: Datatrac

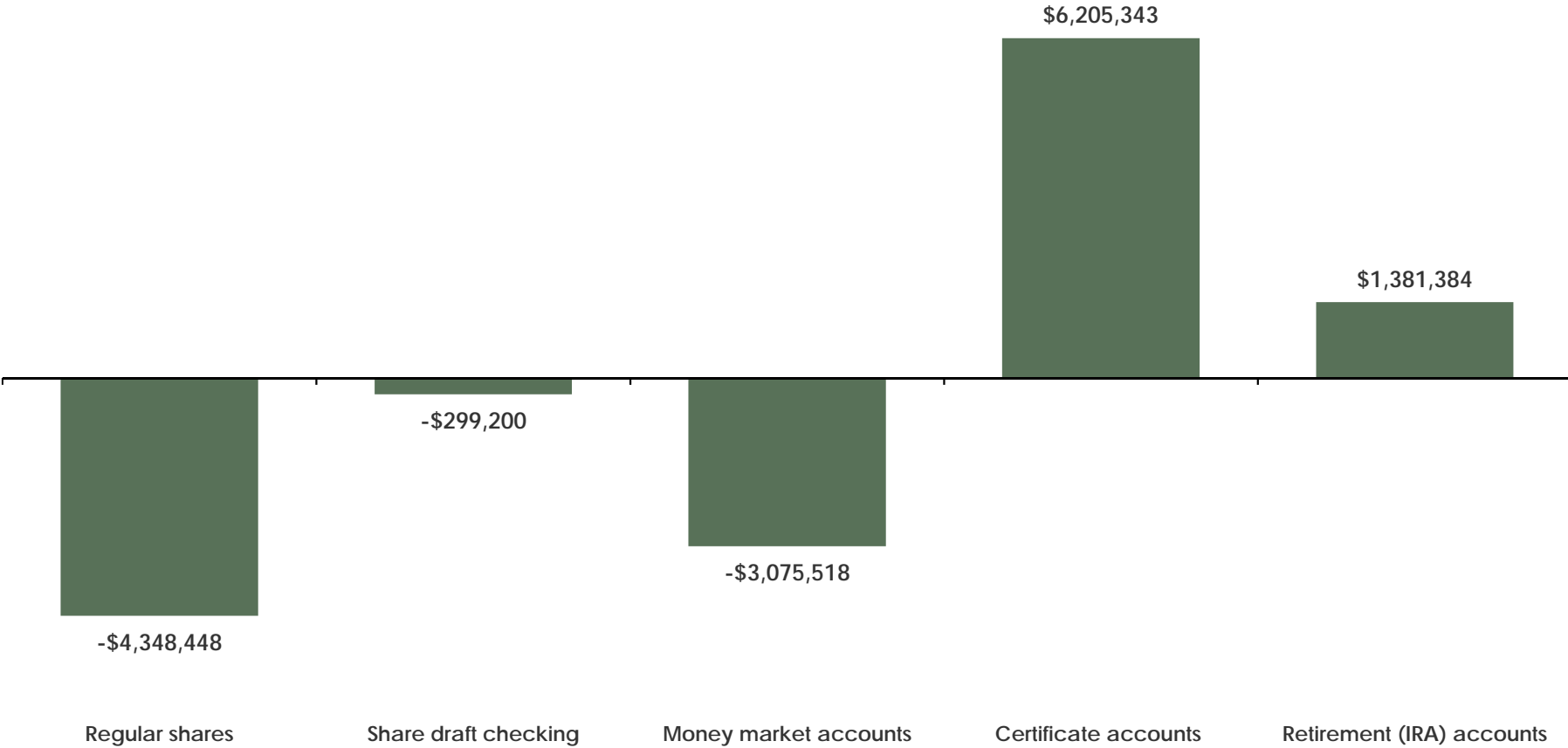
State Credit Union's Total Loan Rate Benefits

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 Oregon Credit Unions December 2018

Loans	Avg. Balance at Credit Unions (1)	Rate Difference vs. Oregon Banks (%) (2)	Total Financial Benefit to Your Members
New car loans	3,377,590,277	-0.74	\$25,129,272
Used car loans	3,307,749,736	-1.11	\$36,782,177
Personal unsecured loans	301,364,423	-0.03	\$93,423
5-year adjustable rate 1st mortgage	1,942,262,138	-0.06	\$1,204,203
15-year fixed rate 1st mortgage	1,632,511,187	0.03	-\$506,078
30-year fixed rate 1st mortgage	2,308,006,107	0.10	-\$2,331,086
Home equity / 2nd mortgage loans	1,513,113,119	-0.47	\$7,111,632
Credit cards	724,811,816	-3.01	\$21,849,452
Interest rebates			\$8,931
<b>Total CU member benefits arising from lower interest rates on loan products:</b>			\$89,341,924
Savings			
Regular shares	7,128,603,579	-0.06	-\$4,348,448
Share draft checking	3,324,444,823	-0.01	-\$299,200
Money market accounts	5,914,457,252	-0.05	-\$3,075,518
Certificate accounts	1,988,892,133	0.31	\$6,205,343
Retirement (IRA) accounts	1,062,602,931	0.13	\$1,381,384
Bonus dividends in period			\$0
<b>Total CU member benefit arising from higher interest rates on savings products:</b>			-\$136,439
Fee Income			
<b>Total CU member benefit arising from fewer / lower fees:</b>			\$17,827,436
<b>Total CU member benefit arising from interest rates on loans, savings products and lower fees:</b>			\$107,032,921
<b>Total CU member benefit / member:</b>			\$58
<b>Total CU member benefit / member household:</b>			\$123

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

## Oregon Credit Union Performance Profile

Demographic Information	Dec 18	Dec 17
Number of branches	296	296
Total assets (\$ mil)	23,148	22,083
Total loans (\$ mil)	17,368	16,258
Total surplus funds (\$ mil)	4,921	4,918
Total savings (\$ mil)	19,995	19,173
Total members (thousands)	1,875	1,791
Growth Rates (Trailing 12 months) *		
Total assets	4.8 %	8.3 %
Total loans	6.8 %	12.9 %
Total surplus funds	0.1 %	-4.3 %
Total savings	4.3 %	6.9 %
Total members	4.7 %	6.3 %
Earnings - Basis Pts. *		
Yield on total assets	366	339
Dividend / interest cost of assets	33	26
Fee & other income	146	141
Operating expense	333	328
Loss Provisions	28	30
Net Income (ROA) after stabilization exp	117	95
Capital Adequacy		
Net worth / assets	10.9	10.2
Asset Quality *		
Delinquencies / loans	0.3	0.3
Net chargeoffs / average loans	0.3	0.3
Total borrower-bankruptcies	50	43
Bankruptcies per 1000 members	1.5	1.4
Asset/Liability Management		
Loans / savings	86.9	84.8
Loans / assets	75.0	73.6
Long-term assets / assets	30.9	30.6
Core deposits/shares & borrowings	53.3	51.7
Productivity		
Members / potential members	2.6	2.6
Borrowers / members	62.2	63.0
Members / FTE	373	372
Average shares / members (\$)	10,662	10,705
Average loan balances (\$)	14,879	14,407
Salary & Benefits / FTE	79,116	77,099

\* 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.