

CUNA South Carolina
**MEMBERSHIP BENEFITS
REPORT**



South Carolina

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 South **Carolina** credit unions provided \$116,171,984 in direct financial benefits to the state's 1,547,266 members during the twelve months ending December 2018.

These benefits are equivalent to \$75 per member or \$158 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 South Carolina 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 South Carolina credit unions.

Consider this:

Financing a \$25,000 new automobile for 60 months at a South Carolina credit union will save members an average \$137 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.

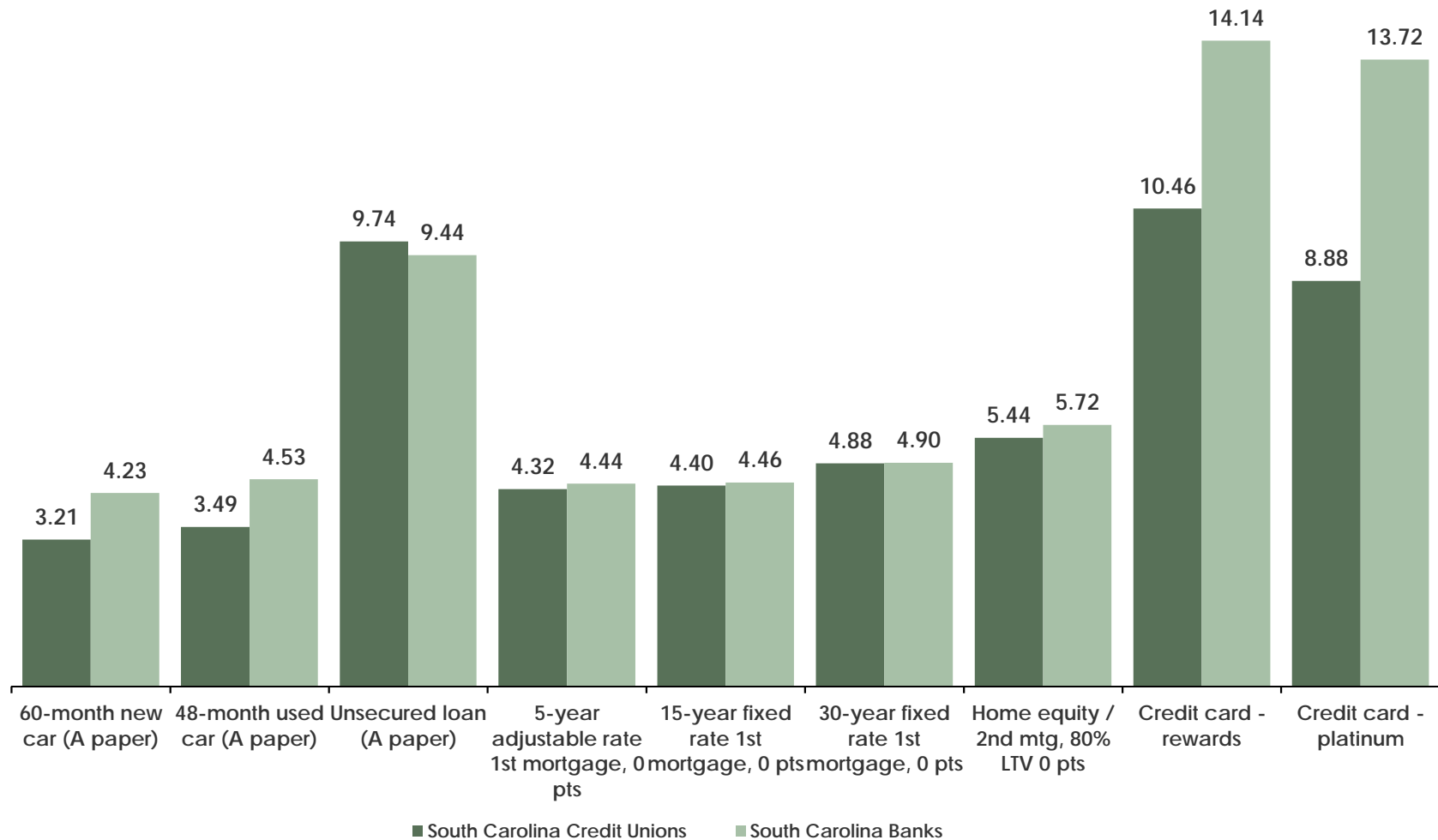
South Carolina credit unions excel in providing member benefits on many loan and savings products. In particular, South Carolina credit unions offer lower average loan rates on the following accounts: new car loans, used car loans, first mortgage-fixed rate, first mortgage-adjustable rate, home equity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

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



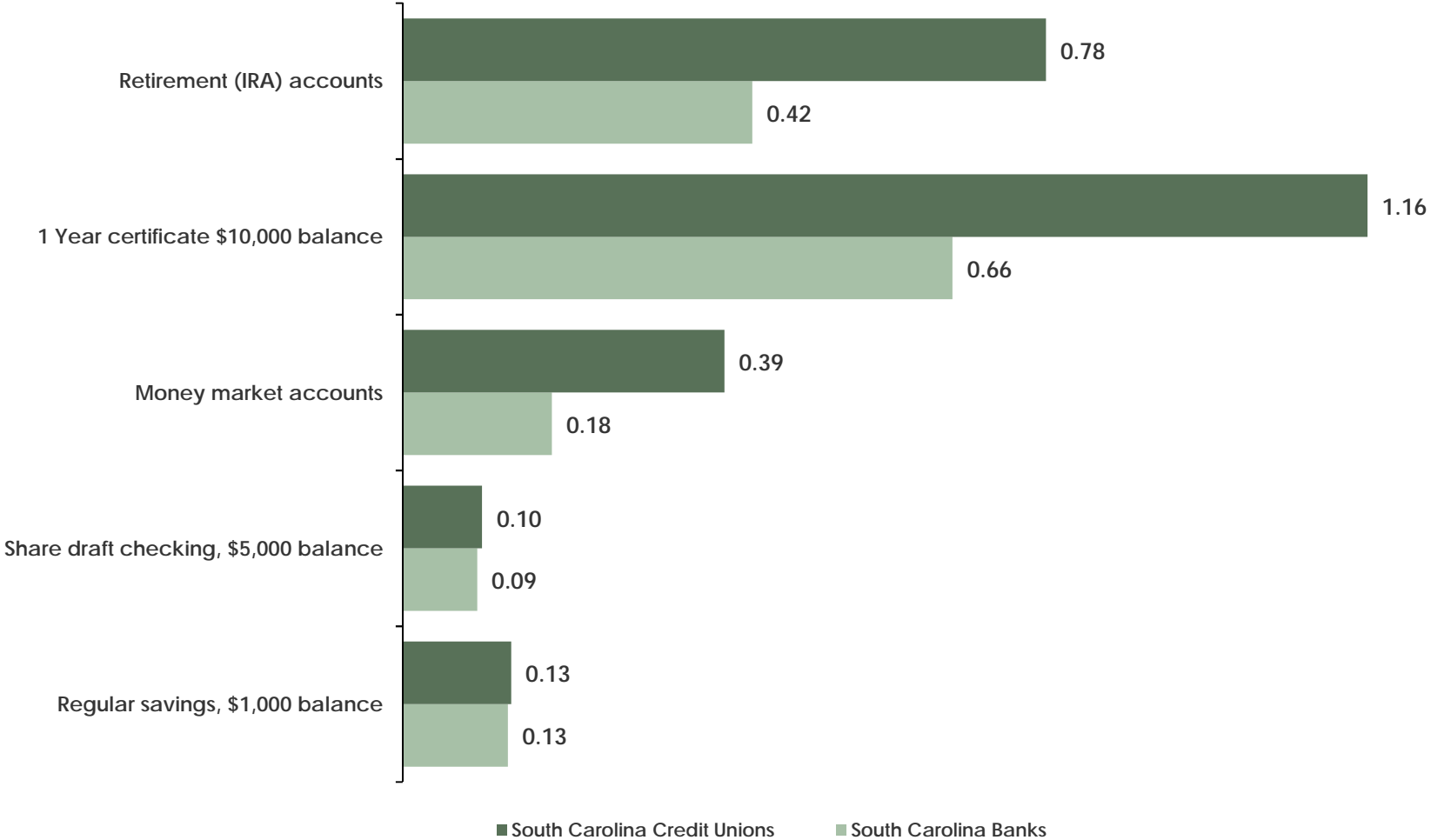
Loan Product Comparative Interest Rates (%)

by Loan Type



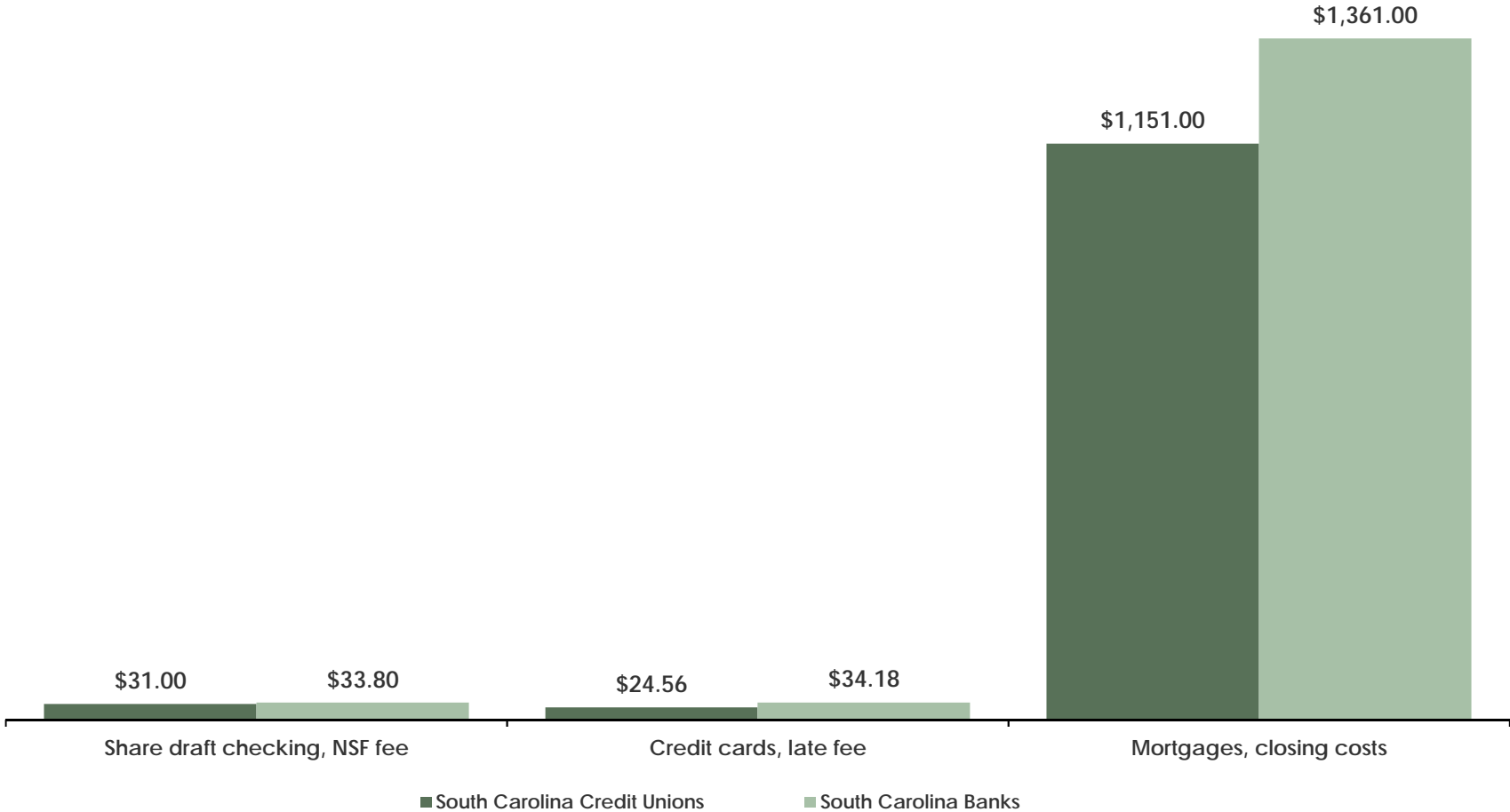
Savings Product Comparative Interest Rates (%)

by Savings Account Type



Comparative Fees

by Type



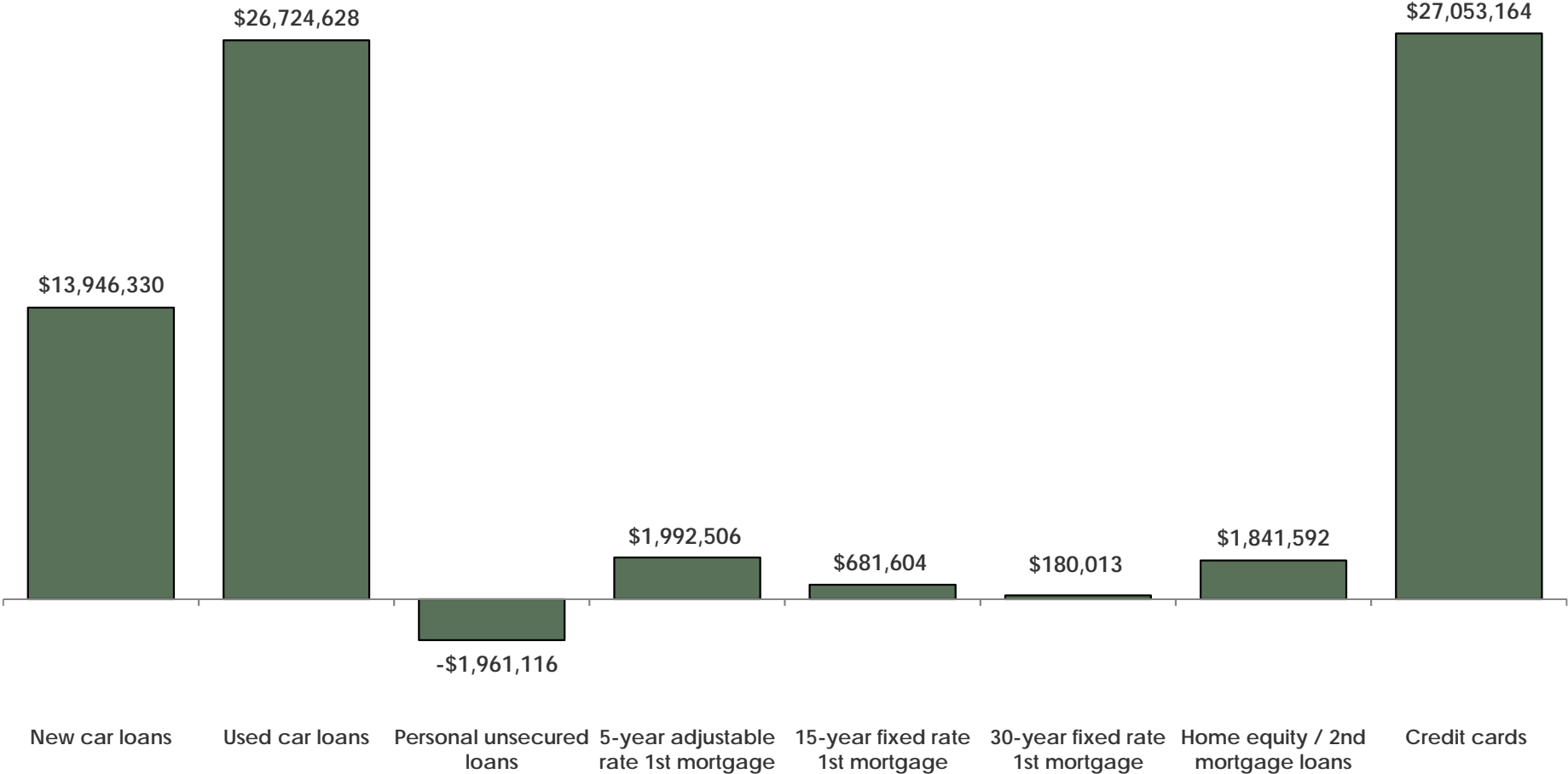
South Carolina Credit Union and Banking Institution December 2018 Average Interest Rates and Fees

Loan Products	Average Rate at Credit Unions (%)	Average Rate at Banks (%)	Rate Difference vs. Banks (%)
60-month new car (A paper)	3.21	4.23	-1.02
48-month used car (A paper)	3.49	4.53	-1.04
Unsecured loan (A paper)	9.74	9.44	0.30
5-year adjustable rate 1st mortgage, 0 pts	4.32	4.44	-0.12
15-year fixed rate 1st mortgage, 0 pts	4.40	4.46	-0.07
30-year fixed rate 1st mortgage, 0 pts	4.88	4.90	-0.01
Home equity / 2nd mtg, 80% LTV 0 pts	5.44	5.72	-0.28
Credit card - rewards	10.46	14.14	-3.68
Credit card - platinum	8.88	13.72	-4.85
Savings Products			
Regular savings, \$1,000 balance	0.13	0.13	0.00
Share draft checking, \$5,000 balance	0.10	0.09	0.01
Money market accounts	0.39	0.18	0.21
1 Year certificate \$10,000 balance	1.16	0.66	0.50
Retirement (IRA) accounts	0.78	0.42	0.35
Fee Income			
Share draft checking, NSF fee	\$31.00	\$33.80	-\$2.80
Credit cards, late fee	\$24.56	\$34.18	-\$9.62
Mortgages, closing costs	\$1,151.00	\$1,361.00	-\$210.00

Source: Datatrac

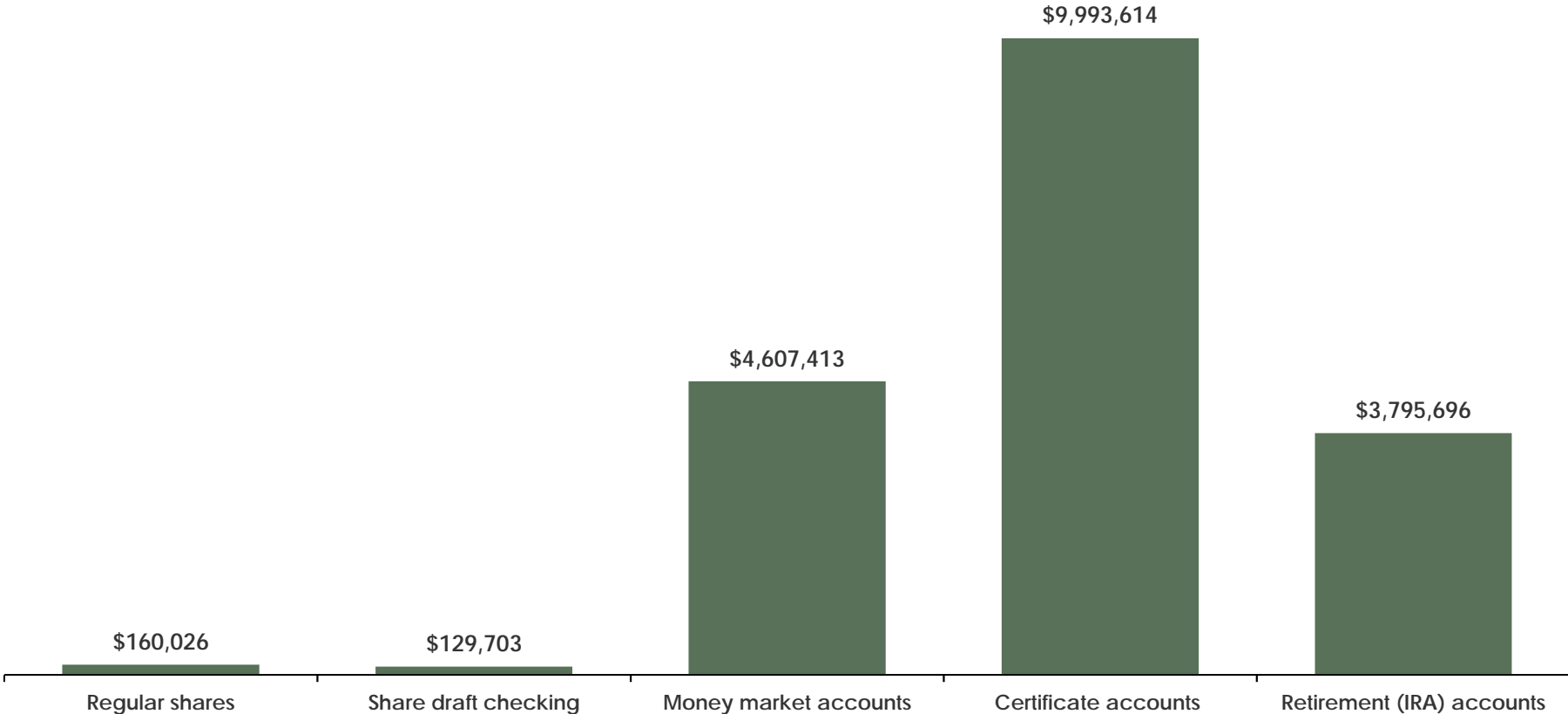
State Credit Union's Total Loan Rate Benefits

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 South Carolina Credit Unions December 2018

Loans	Avg. Balance at Credit Unions (1)	Rate Difference vs. South Carolina Banks (%) (2)	Total Financial Benefit to Your Members
New car loans	1,369,973,464	-1.02	\$13,946,330
Used car loans	2,564,743,535	-1.04	\$26,724,628
Personal unsecured loans	649,376,317	0.30	-\$1,961,116
5-year adjustable rate 1st mortgage	1,619,923,608	-0.12	\$1,992,506
15-year fixed rate 1st mortgage	1,032,733,137	-0.07	\$681,604
30-year fixed rate 1st mortgage	1,384,718,454	-0.01	\$180,013
Home equity / 2nd mortgage loans	657,711,425	-0.28	\$1,841,592
Credit cards	681,740,403	-3.68	\$27,053,164
Interest rebates			\$808,628
Total CU member benefits arising from lower interest rates on loan products:			\$71,267,348
<i>Savings</i>			
Regular shares	4,000,654,795	0.00	\$160,026
Share draft checking	2,161,719,650	0.01	\$129,703
Money market accounts	2,215,102,419	0.21	\$4,607,413
Certificate accounts	1,998,722,706	0.50	\$9,993,614
Retirement (IRA) accounts	1,072,230,464	0.35	\$3,795,696
Bonus dividends in period			\$0
Total CU member benefit arising from higher interest rates on savings products:			\$18,686,452
<i>Fee Income</i>			
Total CU member benefit arising from fewer / lower fees:			\$26,218,184
Total CU member benefit arising from interest rates on loans, savings products and lower fees:			\$116,171,984
Total CU member benefit / member:			\$75
Total CU member benefit / member household:			\$158

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

South Carolina Credit Union Performance Profile

Demographic Information	Dec 18	Dec 17
Number of branches	337	336
Total assets (\$ mil)	14,796	13,926
Total loans (\$ mil)	10,982	9,957
Total surplus funds (\$ mil)	2,894	3,127
Total savings (\$ mil)	11,942	11,373
Total members (thousands)	1,572	1,528
Growth Rates (Trailing 12 months) *		
Total assets	6.5 %	5.5 %
Total loans	10.5 %	9.6 %
Total surplus funds	-7.0 %	-5.0 %
Total savings	5.3 %	4.9 %
Total members	3.3 %	3.0 %
Earnings - Basis Pts. *		
Yield on total assets	402	382
Dividend / interest cost of assets	61	51
Fee & other income	241	227
Operating expense	427	425
Loss Provisions	44	51
Net Income (ROA) after stabilization exp	111	82
Capital Adequacy		
Net worth / assets	12.3	11.9
Asset Quality *		
Delinquencies / loans	0.5	0.6
Net chargeoffs / average loans	0.6	0.7
Total borrower-bankruptcies	28	27
Bankruptcies per 1000 members	1.1	1.1
Asset/Liability Management		
Loans / savings	92.0	87.6
Loans / assets	74.2	71.5
Long-term assets / assets	27.4	26.7
Core deposits/shares & borrowings	52.2	51.9
Productivity		
Members / potential members	9.0	8.7
Borrowers / members	56.0	57.2
Members / FTE	347	352
Average shares / members (\$)	7,596	7,441
Average loan balances (\$)	12,478	11,390
Salary & Benefits / FTE	68,522	66,335

* 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.