Credit Union National Association

CUNA

Mid-Year 2021

CUNA Oregon MEMBERSHIP BENEFITS REPORT

cuna.org/research

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 $239,148,112 in direct financial benefits to the state's 2,017,993 members during the twelve months ending June 2021.

These benefits are equivalent to $119 per member or $249 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 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 $240 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.

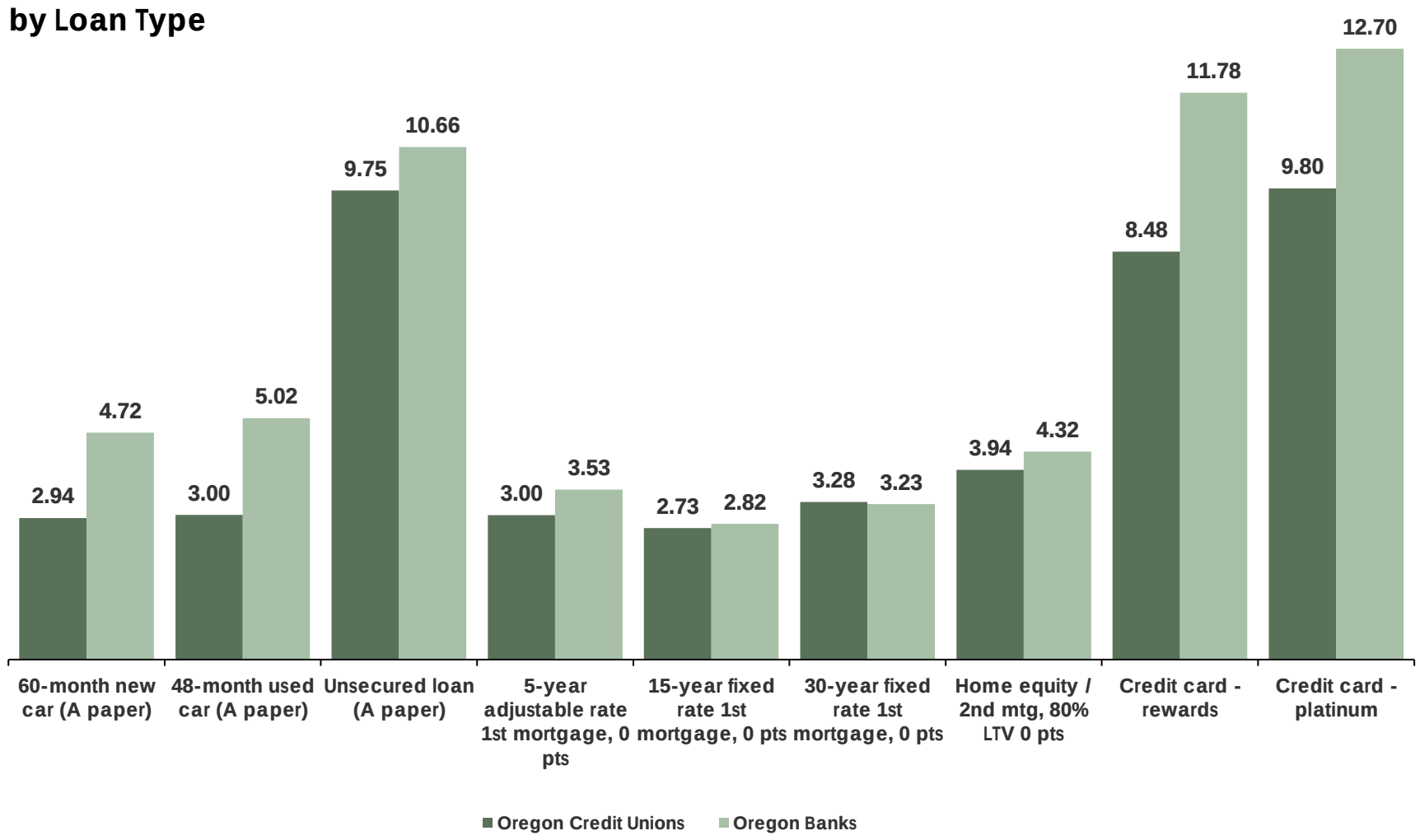
Oregon credit unions excel in providing member benefits on many loan and savings products. In particular, Oregon credit unions offer lower average loan rates on the following accounts: new car loans, used car loans, personal unsecured loans, first mortgage-fixed rate, first mortgage-adjustable rate,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

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

AMERICA'S CREDIT UNIONS™

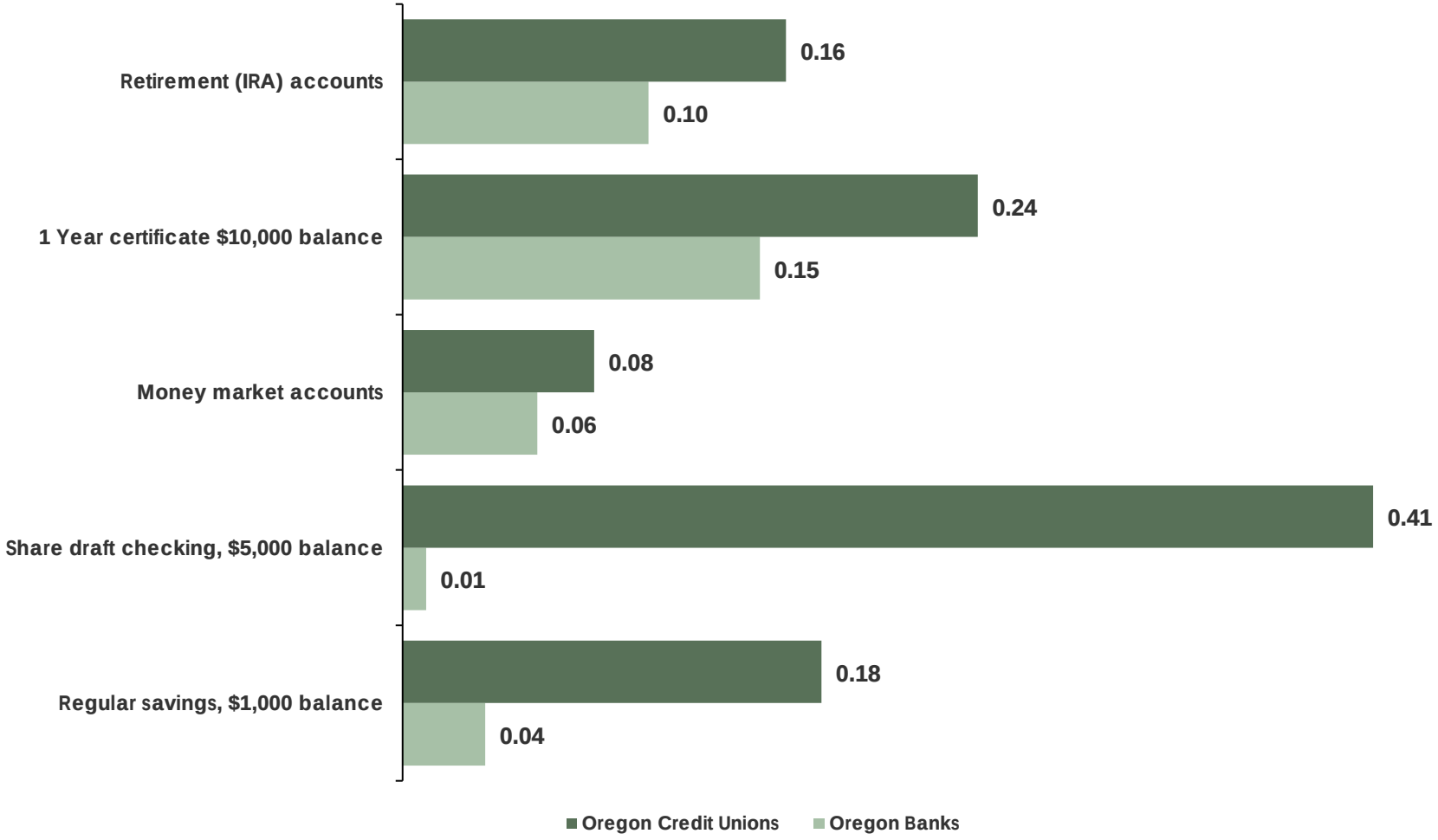
Source: Datatrac, NCUA, and CUNA.
(1)Assumes 2.1 credit union members per household.

Loan Product Comparative Interest Rates (%)



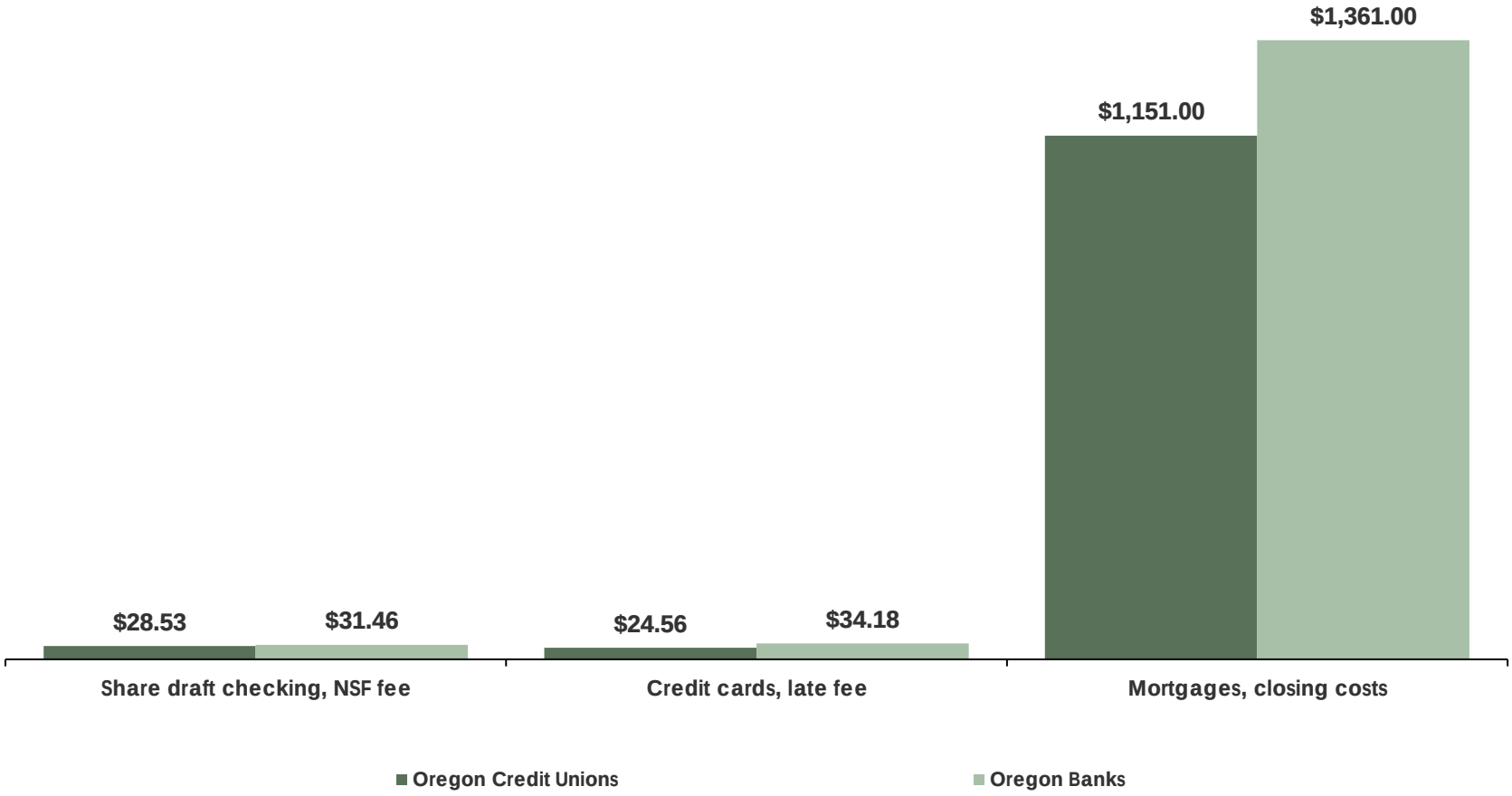
Savings Product Comparative Interest Rates (%)

by Savings Account Type



Comparative Fees

by Type



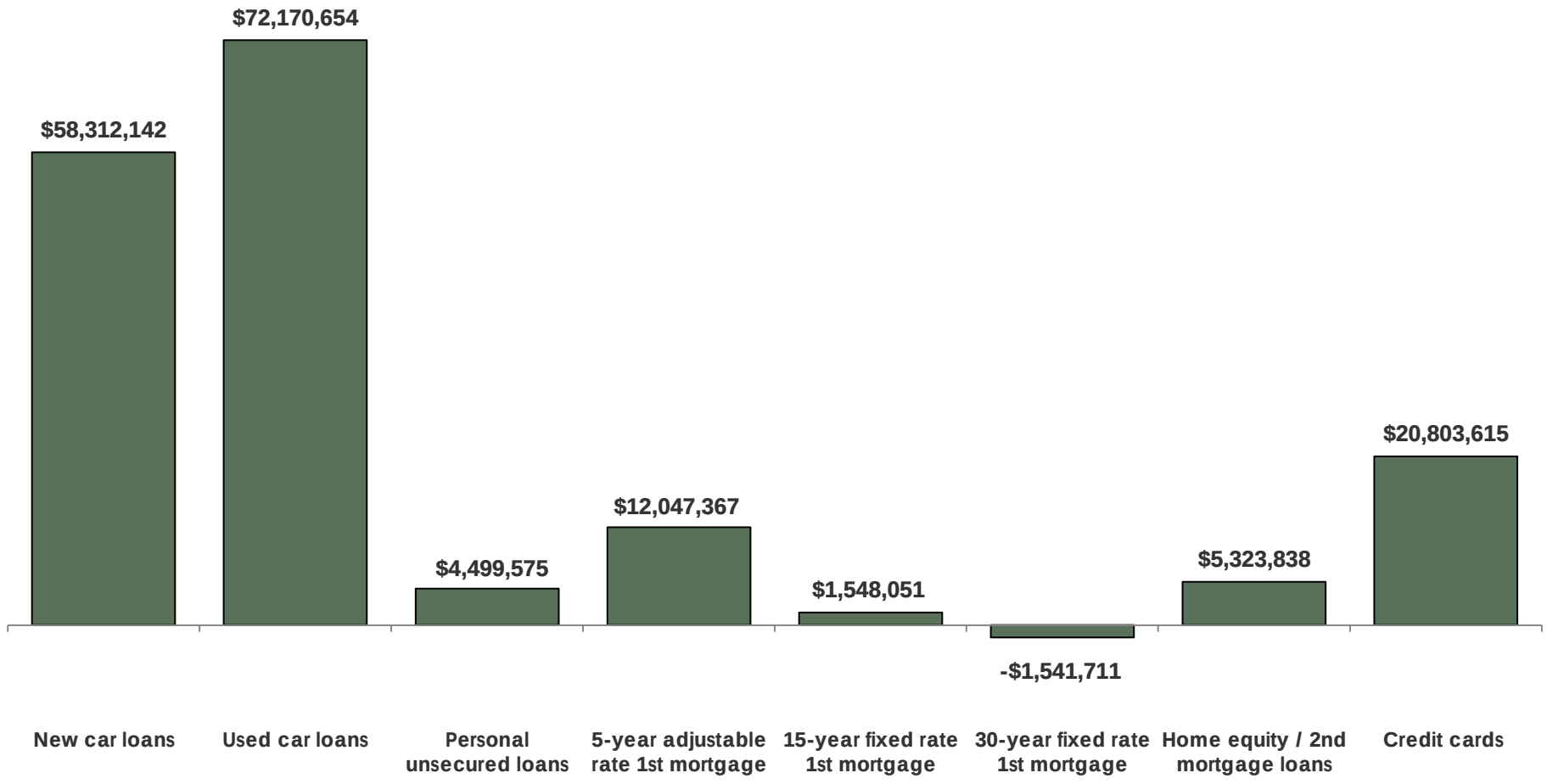
Oregon
Credit Union and Banking Institution
June 2021 Average Interest Rates and Fees

Loan Products	Average Rate at Credit Unions (%)	Average Rate at Banks (%)	Rate Difference vs. Banks (%)
60-month new car (A paper)	2.94	4.72	-1.78
48-month used car (A paper)	3.00	5.02	-2.01
Unsecured loan (A paper)	9.75	10.66	-0.90
5-year adjustable rate 1st mortgage, 0 pts	3.00	3.53	-0.53
15-year fixed rate 1st mortgage, 0 pts	2.73	2.82	-0.09
30-year fixed rate 1st mortgage, 0 pts	3.28	3.23	0.05
Home equity / 2nd mtg, 80% LTV 0 pts	3.94	4.32	-0.38
Credit card - rewards	8.48	11.78	-3.30
Credit card - platinum	9.80	12.70	-2.90
Savings Products			
Regular savings, $1,000 balance	0.18	0.04	0.14
Share draft checking, $5,000 balance	0.41	0.01	0.40
Money market accounts	0.08	0.06	0.02
1 Year certificate $10,000 balance	0.24	0.15	0.09
Retirement (IRA) accounts	0.16	0.10	0.06
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

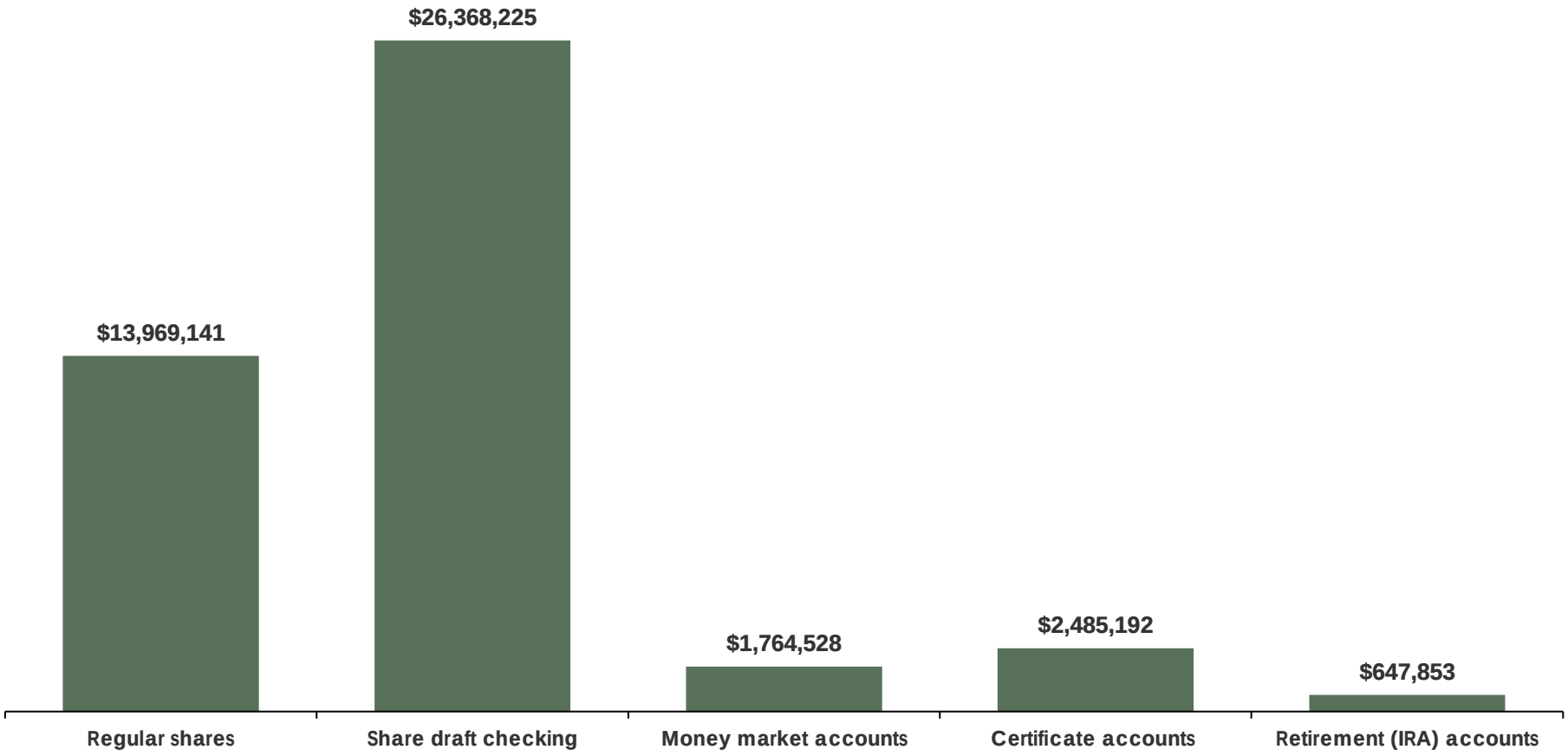
Estimated Credit Union Loan Benefits

Compared to State Banking Institutions
by Loan Type



Estimated Credit Union Savings Dividend Benefits

Compared to State Banking Institutions
by Account Type



Estimated Financial Benefits for Oregon Credit Unions

June 2021

Loans	Avg. Balance at Credit Unions (1)	Rate Difference vs. Oregon Banks (%) (2)	Total Financial Benefit to Your Members
New car loans	3,279,648,053	-1.78	$58,312,142
Used car loans	3,583,448,559	-2.01	$72,170,654
Personal unsecured loans	497,740,611	-0.90	$4,499,575
5-year adjustable rate 1st mortgage	2,264,542,610	-0.53	$12,047,367
15-year fixed rate 1st mortgage	1,720,056,439	-0.09	$1,548,051
30-year fixed rate 1st mortgage	3,351,545,371	0.05	-$1,541,711
Home equity / 2nd mortgage loans	1,415,914,289	-0.38	$5,323,838
Credit cards	649,402,682	-3.30	$20,803,615
Interest rebates			$14,610
Total CU member benefits arising from lower interest rates on loan products:			$173,178,141
Savings			
Regular shares	9,837,423,499	0.14	$13,969,141
Share draft checking	6,592,056,282	0.40	$26,368,225
Money market accounts	7,352,199,178	0.02	$1,764,528
Certificate accounts	2,701,295,823	0.09	$2,485,192
Retirement (IRA) accounts	1,116,988,529	0.06	$647,853
Bonus dividends in period			$0
Total CU member benefit arising from higher interest rates on savings products:			$45,234,940
Fee Income			
Total CU member benefit arising from fewer / lower fees:			$20,735,032
Total CU member benefit arising from interest rates on loans, savings products and lower fees:			$239,148,112
Total CU member benefit / member:			$119
Total CU member benefit / member household:			$249

Source: Datatrac, NCUA, and CUNA

(1) Average balance as of June 2021 and June 2020, according to the NCUA call report.; (2) Source for rates: Datatrac;

Oregon Credit Union
Performance Profile

Demographic Information	Jun 21	Jun 20
Number of branches	331	306
Total assets ($ mil)	34,556	29,081
Total loans ($ mil)	19,484	18,653
Total surplus funds ($ mil)	13,949	9,496
Total savings ($ mil)	30,705	24,970
Total members (thousands)	2,081	1,973
Growth Rates (Trailing 12 months) *		
Total assets	19.9 %	19.9 %
Total loans	5.2 %	5.8 %
Total surplus funds	48.6 %	65.0 %
Total savings	24.1 %	20.0 %
Total members	6.4 %	3.8 %
Earnings - Basis Pts. *		
Yield on total assets	272	347
Dividend / interest cost of assets	25	47
Fee & other income	158	160
Operating expense	286	317
Loss Provisions	2	50
Net Income (ROA) after stabilization exp	116	94
Capital Adequacy		
Net worth / assets	9.6	10.2
Asset Quality *		
Delinquencies / loans	0.2	0.3
Net chargeoffs / average loans	0.1	0.3
Total borrower-bankruptcies	18	25
Bankruptcies per 1000 members	0.5	0.7
Asset/Liability Management		
Loans / savings	63.5	74.7
Loans / assets	56.4	64.1
Long-term assets / assets	34.3	32.3
Core deposits/shares & borrowings	60.9	56.3
Productivity		
Members / potential members	2.3	2.6
Borrowers / members	55.9	58.3
Members / FTE	369	376
Average shares / members ($)	14,758	12,655
Average loan balances ($)	16,748	16,211
Salary & Benefits / FTE	94,810	90,986

*** 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

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