

CUNA Washington  
**MEMBERSHIP BENEFITS  
REPORT**



## Washington

### 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 Washington credit unions provided \$447,414,673 in direct financial benefits to the state's 4,259,061 members during the twelve months ending June 2021.

**These benefits are equivalent to \$105 per member or \$221 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 Washington 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 Washington credit unions.

Consider this:

**Financing a \$25,000 new automobile for 60 months at a Washington credit union will save members an average \$193 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.

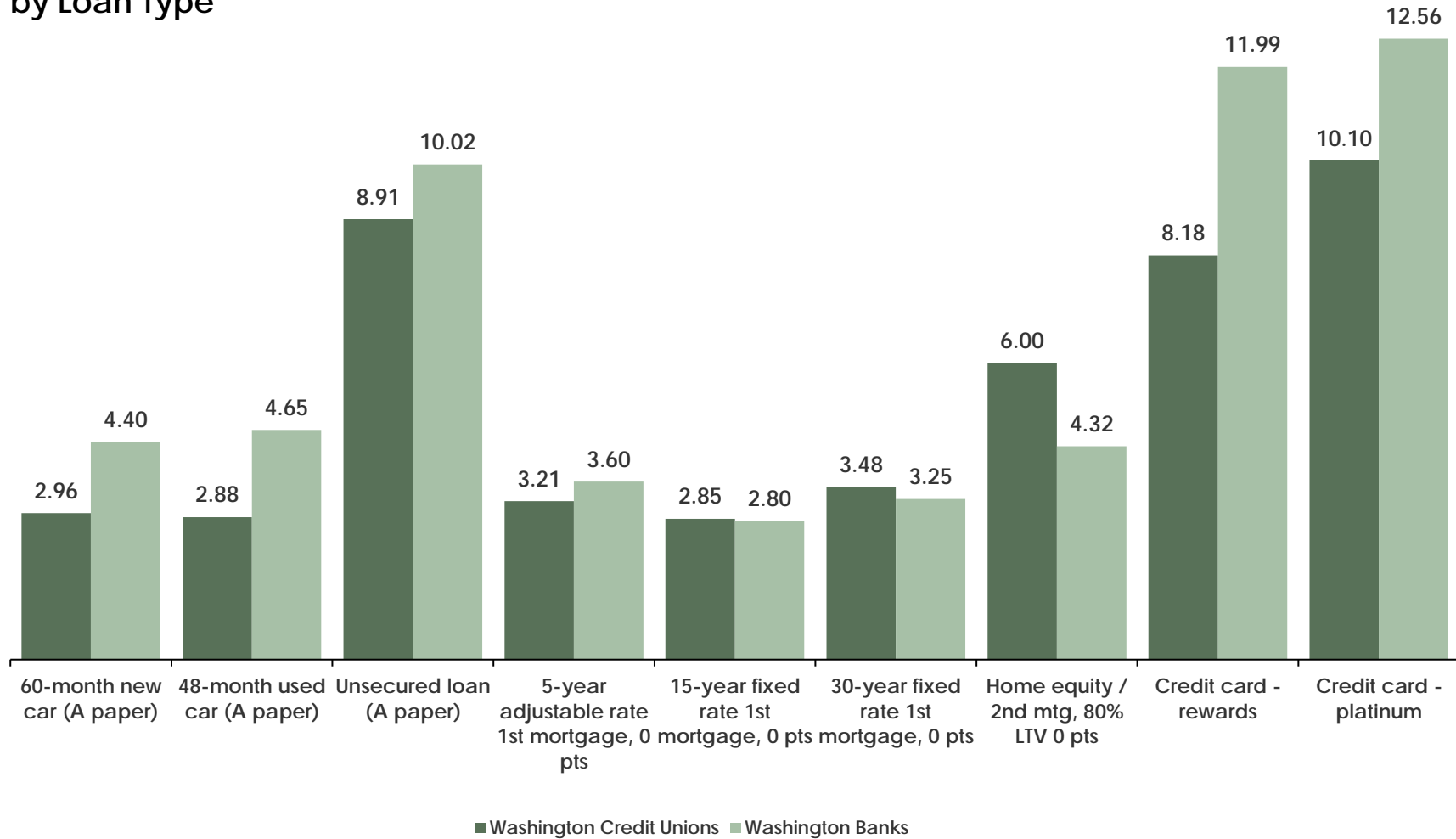
Washington credit unions excel in providing member benefits on many loan and savings products. In particular, Washington credit unions offer lower average loan rates on the following accounts: new car loans, used car loans, personal unsecured loans, first mortgage-adjustable rate, credit cards loans.

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



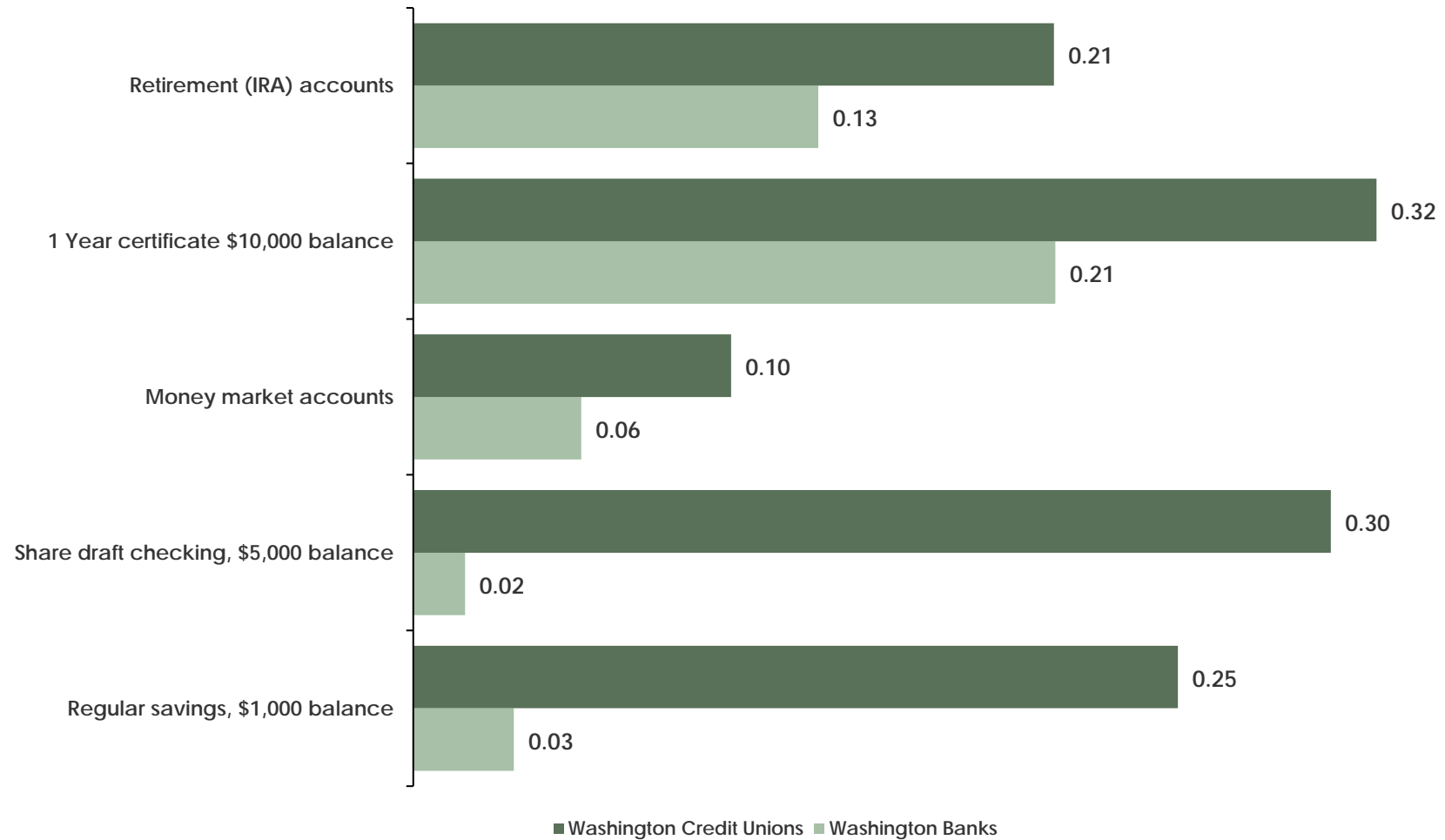
## Loan Product Comparative Interest Rates (%)

by Loan Type



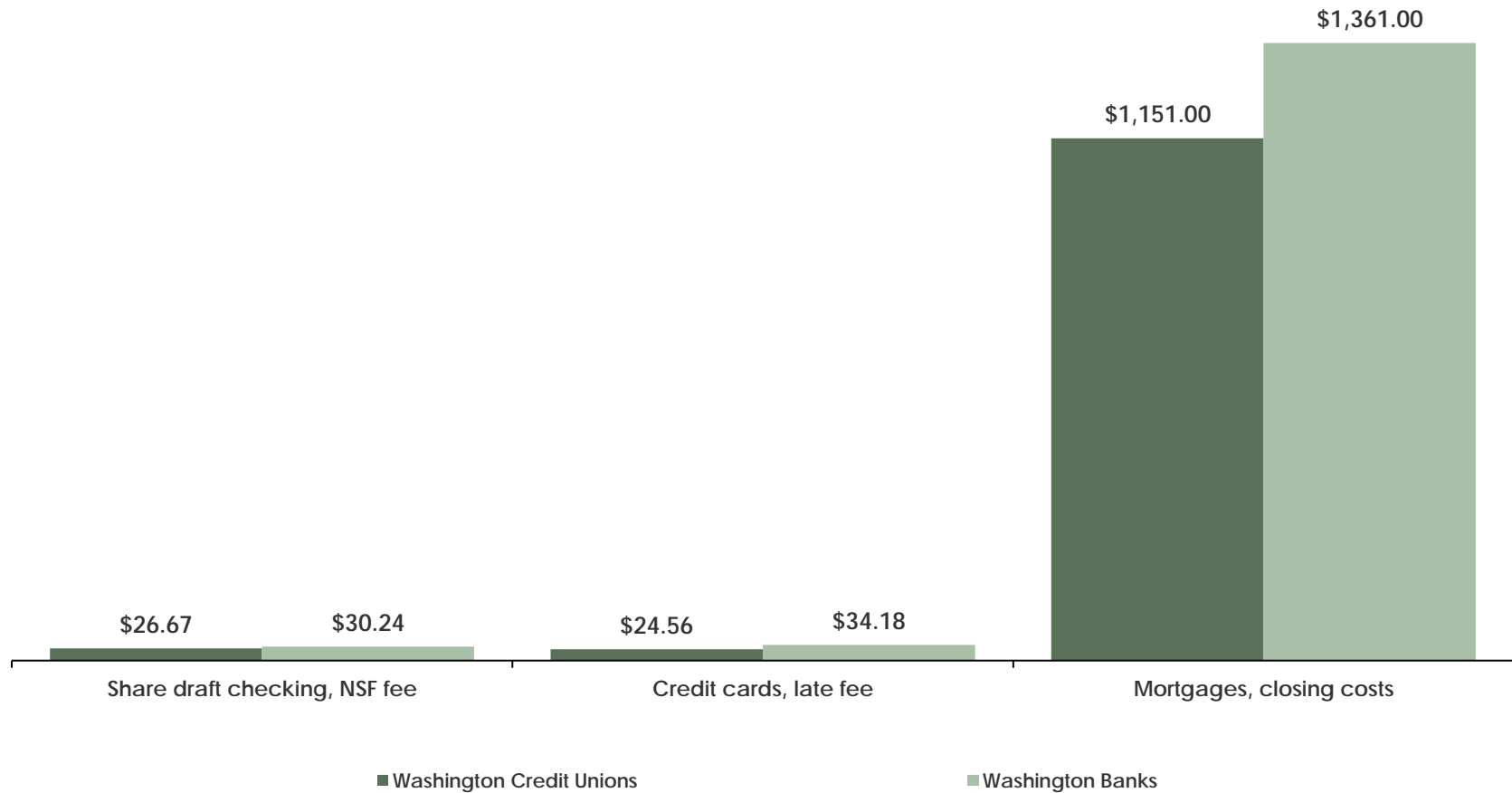
## Savings Product Comparative Interest Rates (%)

### by Savings Account Type



## Comparative Fees

by Type



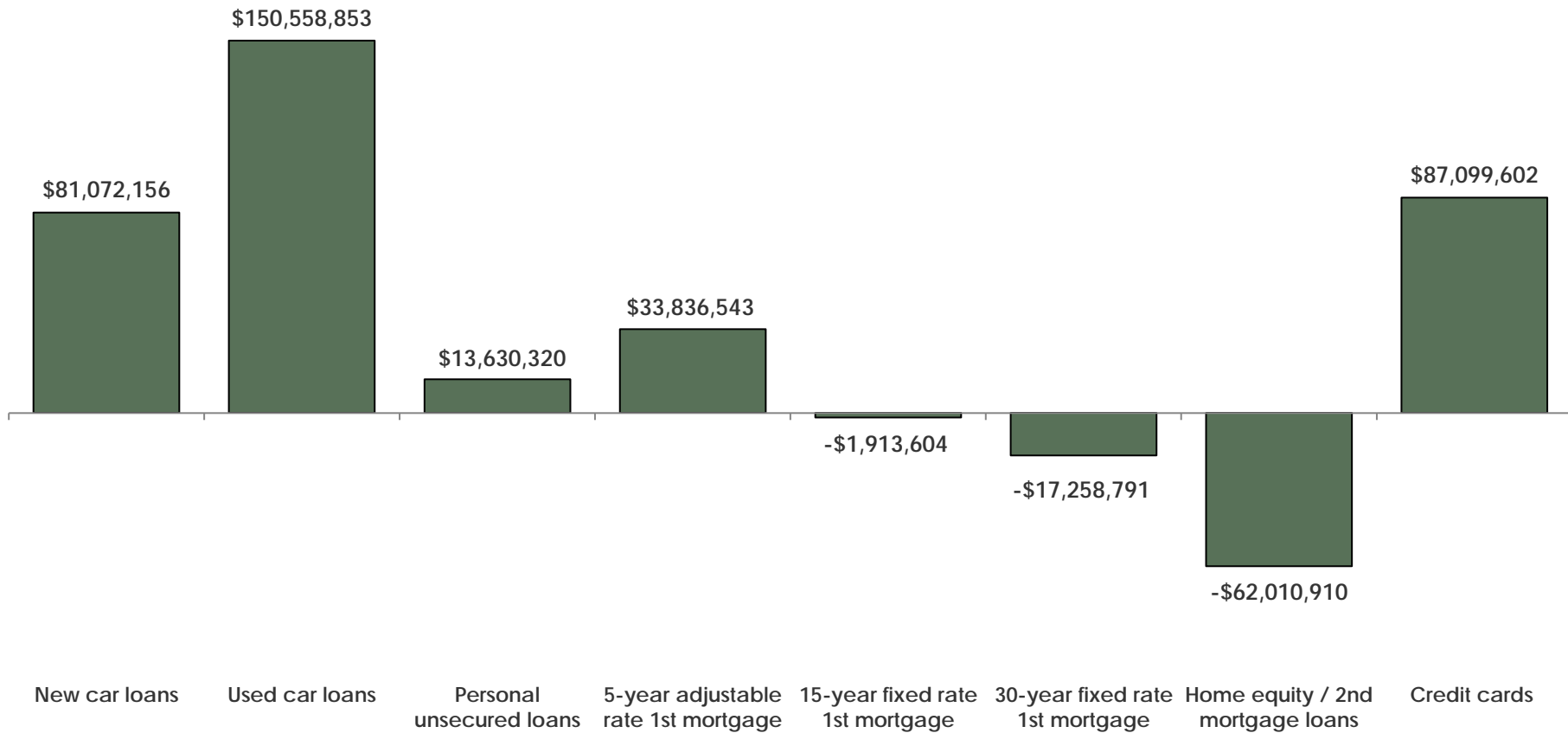
## Washington Credit Union and Banking Institution June 2021 Average Interest Rates and Fees

Loan Products	Average Rate at Credit Unions (%)	Average Rate at Banks (%)	Rate Difference vs. Banks (%)
60-month new car (A paper)	2.96	4.40	-1.43
48-month used car (A paper)	2.88	4.65	-1.77
Unsecured loan (A paper)	8.91	10.02	-1.11
5-year adjustable rate 1st mortgage, 0 pts	3.21	3.60	-0.40
15-year fixed rate 1st mortgage, 0 pts	2.85	2.80	0.05
30-year fixed rate 1st mortgage, 0 pts	3.48	3.25	0.24
Home equity / 2nd mtg, 80% LTV 0 pts	6.00	4.32	1.68
Credit card - rewards	8.18	11.99	-3.81
Credit card - platinum	10.10	12.56	-2.46
Savings Products			
Regular savings, \$1,000 balance	0.25	0.03	0.22
Share draft checking, \$5,000 balance	0.30	0.02	0.28
Money market accounts	0.10	0.06	0.05
1 Year certificate \$10,000 balance	0.32	0.21	0.11
Retirement (IRA) accounts	0.21	0.13	0.08
Fee Income			
Share draft checking, NSF fee	\$26.67	\$30.24	-\$3.57
Credit cards, late fee	\$24.56	\$34.18	-\$9.62
Mortgages, closing costs	\$1,151.00	\$1,361.00	-\$210.00

Source: Datatrac

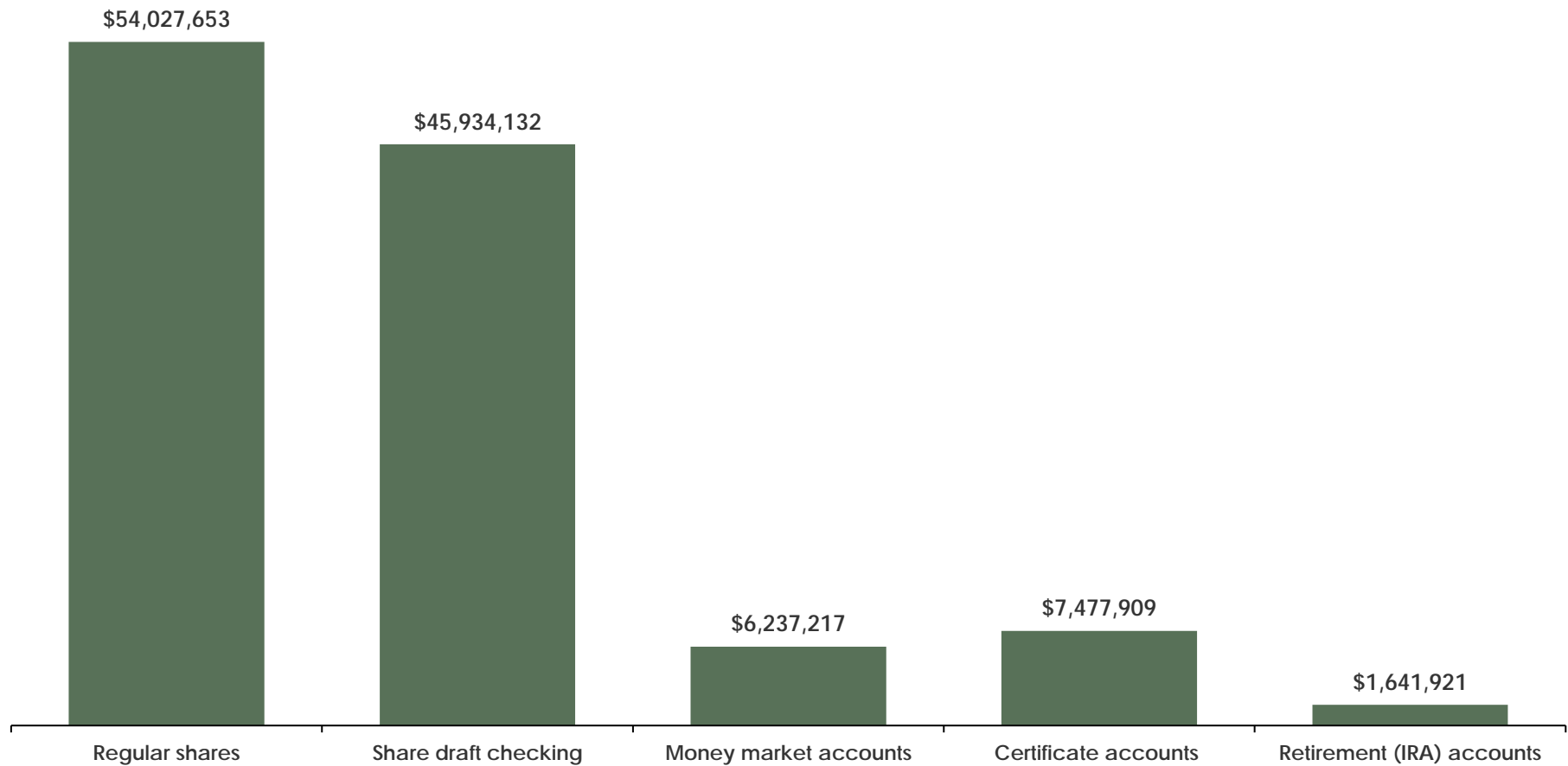
## Estimated Credit Union Loan Benefits

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 Washington Credit Unions June 2021

Loans	Avg. Balance at Credit Unions (1)	Rate Difference vs. Washington Banks (%) (2)	Total Financial Benefit to Your Members
New car loans	5,657,512,616	-1.43	\$81,072,156
Used car loans	8,515,772,228	-1.77	\$150,558,853
Personal unsecured loans	1,232,397,818	-1.11	\$13,630,320
5-year adjustable rate 1st mortgage	8,544,581,516	-0.40	\$33,836,543
15-year fixed rate 1st mortgage	3,827,207,413	0.05	-\$1,913,604
30-year fixed rate 1st mortgage	7,251,592,844	0.24	-\$17,258,791
Home equity / 2nd mortgage loans	3,684,546,036	1.68	-\$62,010,910
Credit cards	2,508,087,307	-3.81	\$87,099,602
Interest rebates			\$5,342
<b>Total CU member benefits arising from lower interest rates on loan products:</b>			<b>\$285,019,511</b>
<b>Savings</b>			
Regular shares	24,897,535,971	0.22	\$54,027,653
Share draft checking	16,231,141,910	0.28	\$45,934,132
Money market accounts	12,729,014,195	0.05	\$6,237,217
Certificate accounts	7,121,817,903	0.11	\$7,477,909
Retirement (IRA) accounts	2,132,365,139	0.08	\$1,641,921
Bonus dividends in period			\$0
<b>Total CU member benefit arising from higher interest rates on savings products:</b>			<b>\$115,318,832</b>
<b>Fee Income</b>			
<b>Total CU member benefit arising from fewer / lower fees:</b>			<b>\$47,076,330</b>
<b>Total CU member benefit arising from interest rates on loans, savings products and lower fees:</b>			<b>\$447,414,673</b>
<b>Total CU member benefit / member:</b>			<b>\$105</b>
<b>Total CU member benefit / member household:</b>			<b>\$221</b>

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;

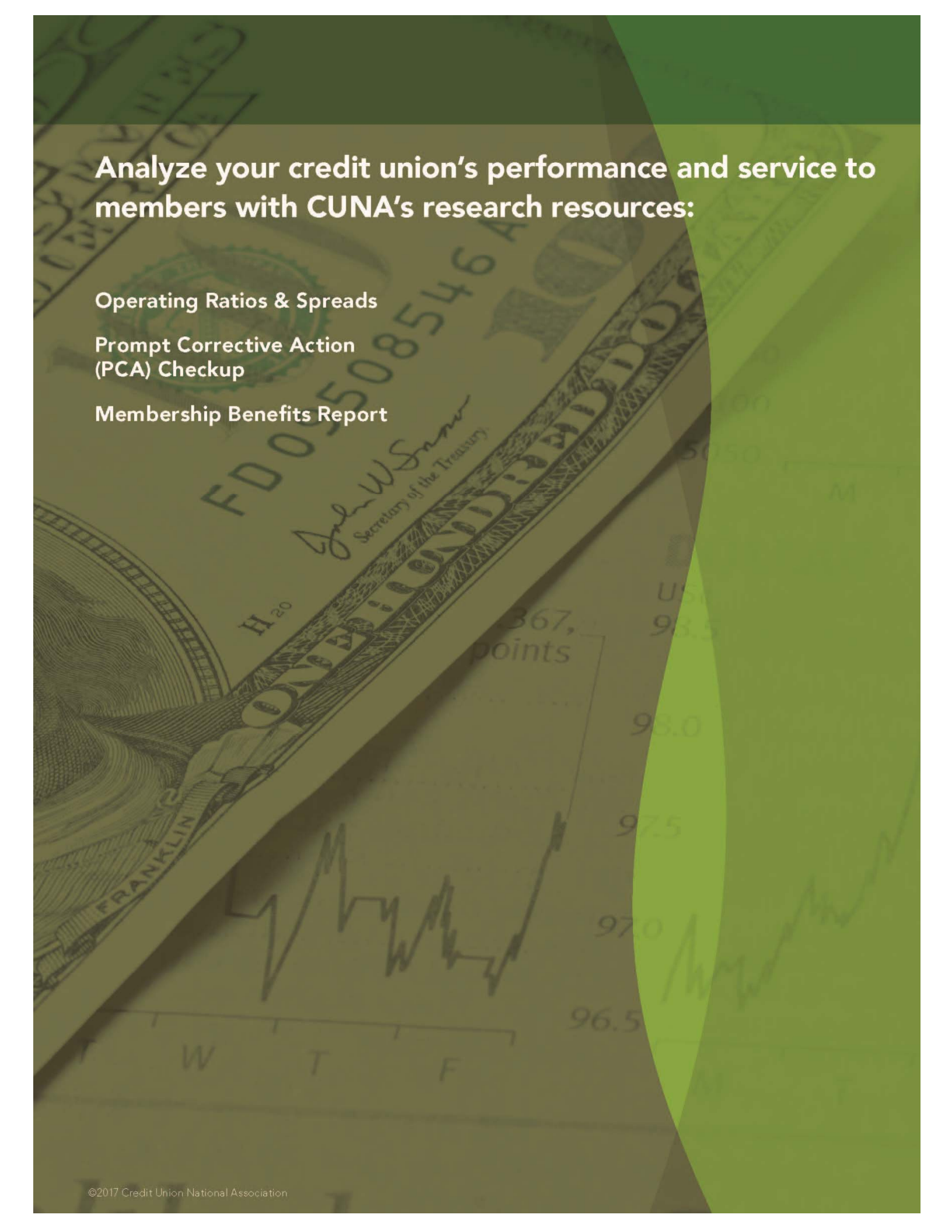
# Membership Benefits Report

CUNA Economics and Statistics

## Washington Credit Union Performance Profile

Demographic Information	Jun 21	Jun 20
Number of branches	557	565
Total assets (\$ mil)	79,017	68,060
Total loans (\$ mil)	46,182	45,175
Total surplus funds (\$ mil)	30,101	20,416
Total savings (\$ mil)	68,792	58,176
Total members (thousands)	4,345	4,195
Growth Rates (Trailing 12 months) *		
Total assets	16.4 %	19.3 %
Total loans	2.5 %	8.8 %
Total surplus funds	47.6 %	54.0 %
Total savings	18.6 %	21.8 %
Total members	4.1 %	5.5 %
Earnings - Basis Pts. *		
Yield on total assets	284	355
Dividend / interest cost of assets	29	55
Fee & other income	122	115
Operating expense	275	304
Loss Provisions	0	62
Net Income (ROA) after stabilization exp	102	48
Capital Adequacy		
Net worth / assets	9.9	10.3
Asset Quality *		
Delinquencies / loans	0.2	0.3
Net chargeoffs / average loans	0.2	0.4
Total borrower-bankruptcies	16	29
Bankruptcies per 1000 members	0.3	0.6
Asset/Liability Management		
Loans / savings	67.1	77.7
Loans / assets	58.4	66.4
Long-term assets / assets	38.2	34.6
Core deposits/shares & borrowings	64.6	62.1
Productivity		
Members / potential members	2.6	2.7
Borrowers / members	55.3	61.3
Members / FTE	375	380
Average shares / members (\$)	15,833	13,867
Average loan balances (\$)	19,223	17,573
Salary & Benefits / FTE	100,076	96,205

\* 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