

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 \$437,204,149 in direct financial benefits to the state's 4,289,805 members during the twelve months ending September 2021.

These benefits are equivalent to \$102 per member or \$214 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 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 \$178 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.

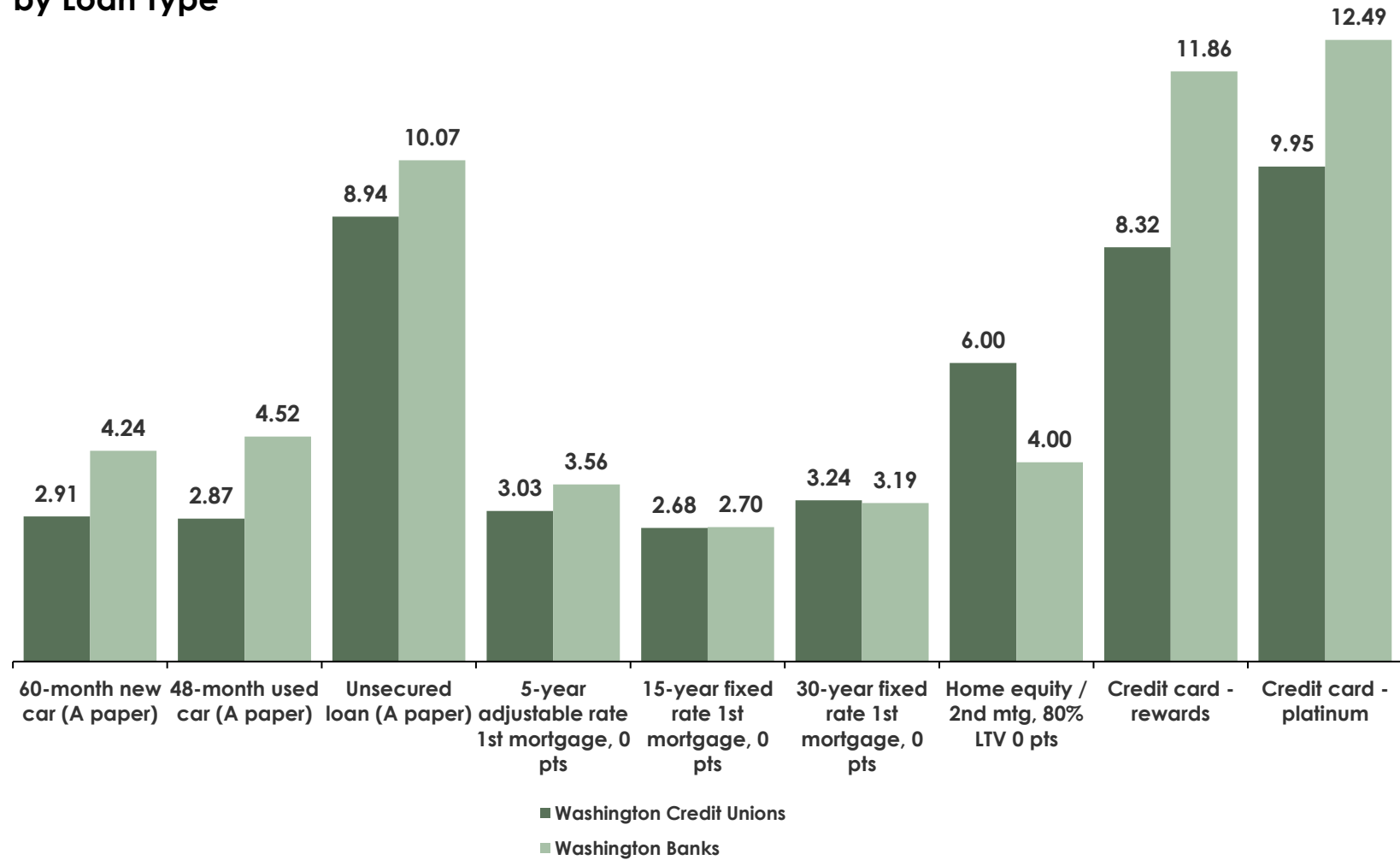
Washington credit unions also pay members higher average dividends on the following accounts: regular savings, share draft checking, money market accounts, certificate accounts, IRAs.

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



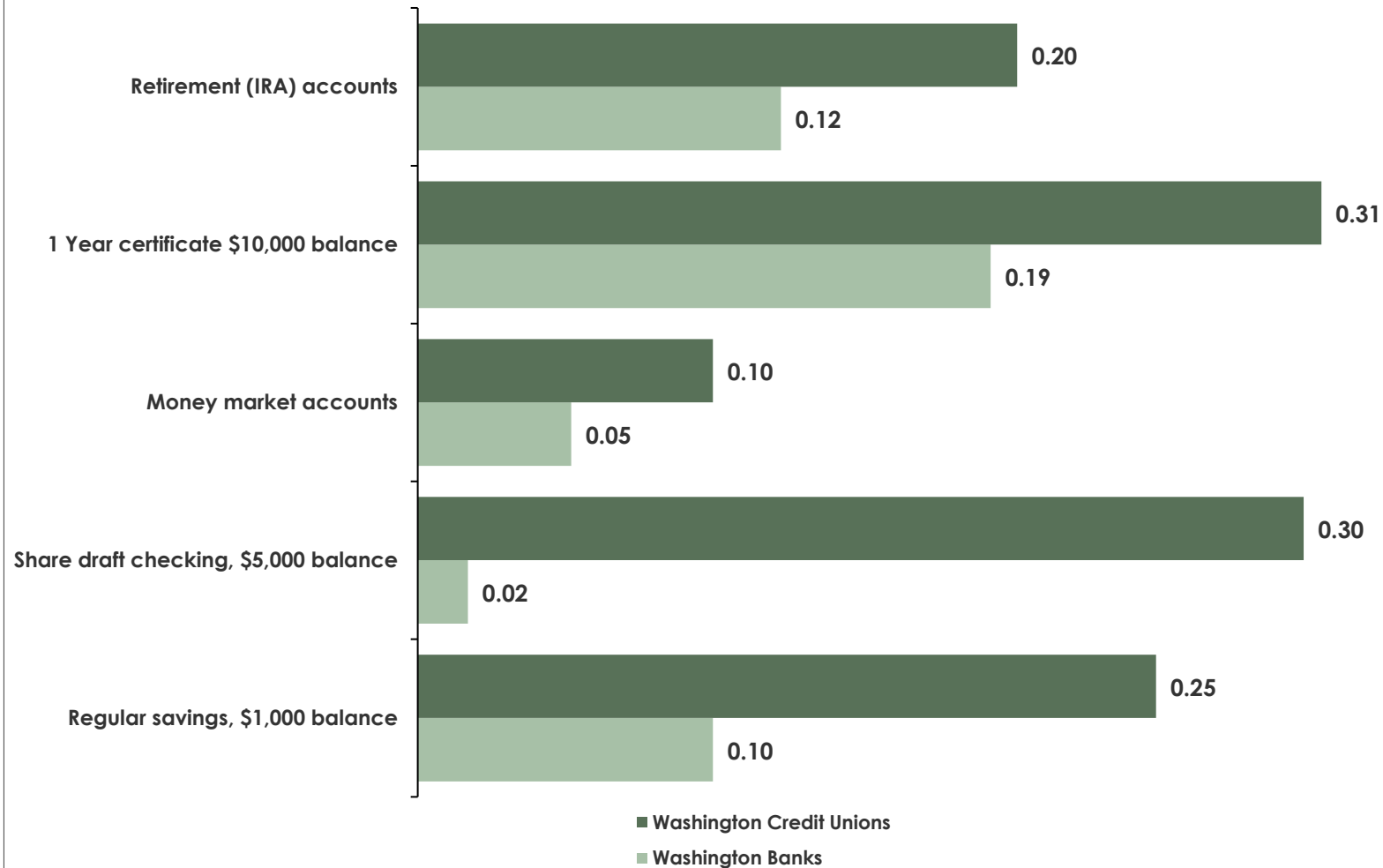
Loan Product Comparative Interest Rates (%)

by Loan Type



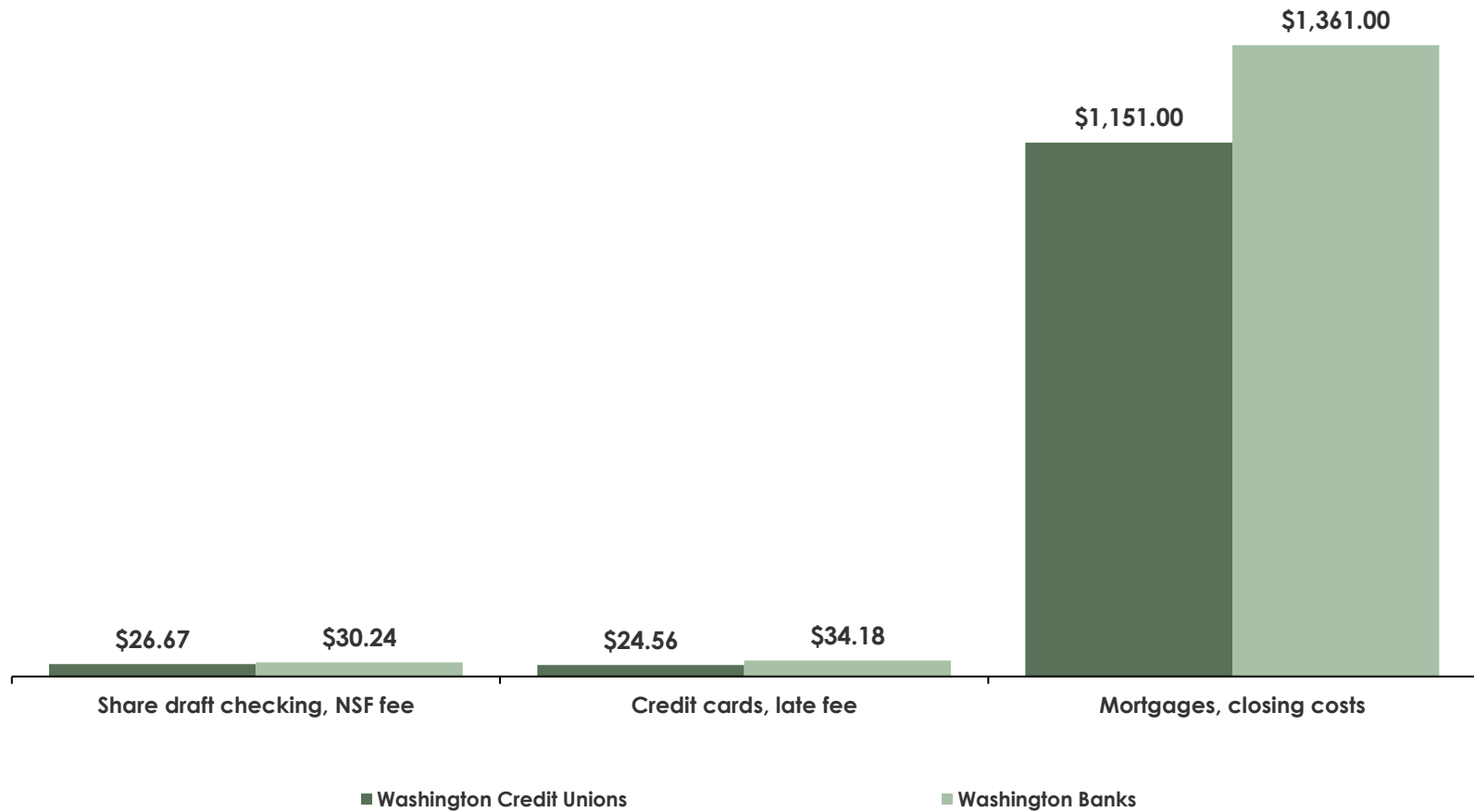
Savings Product Comparative Interest Rates (%)

by Savings Account Type



Comparative Fees

by Type



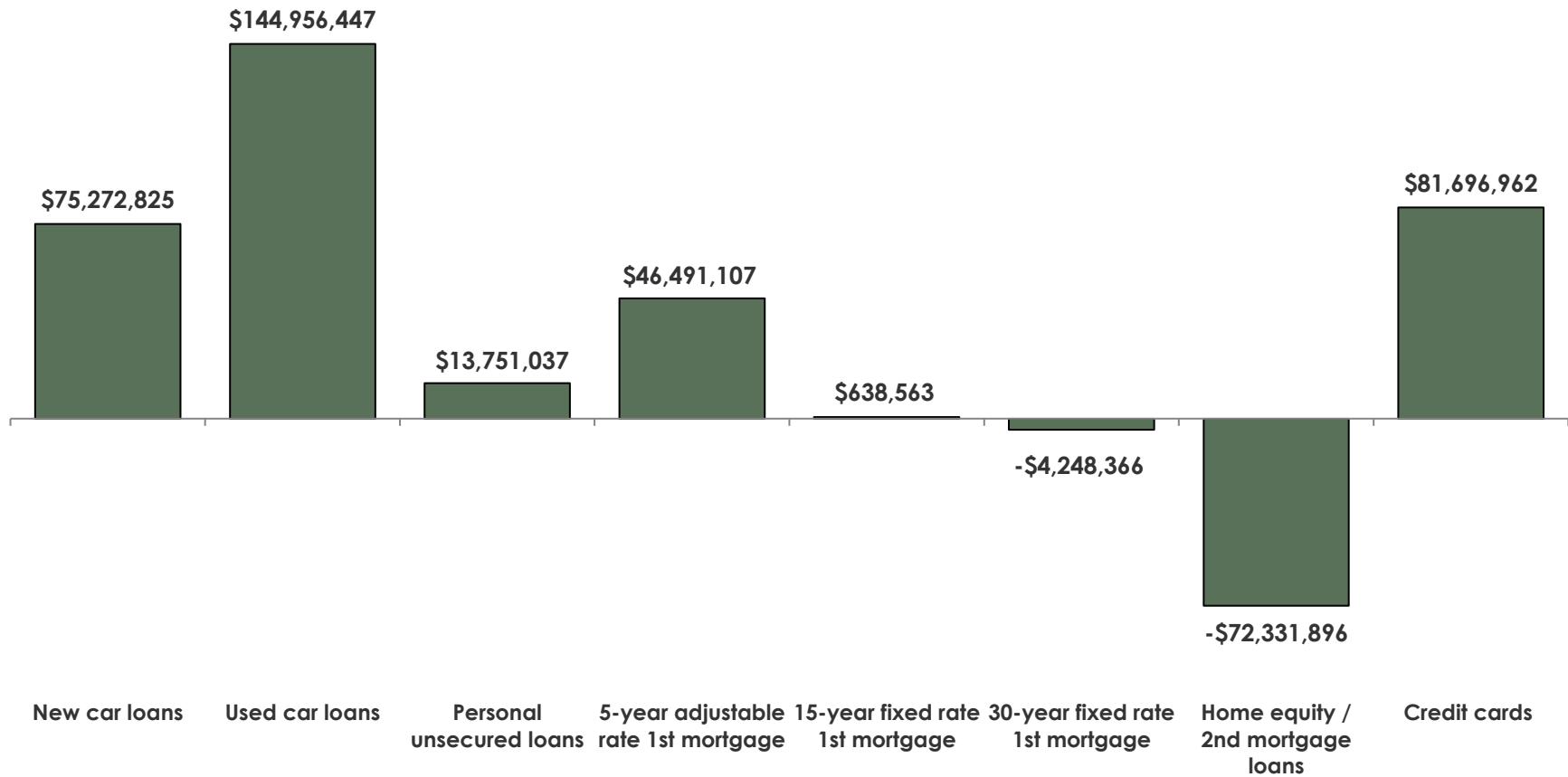
Washington Credit Union and Banking Institution September 2021 Average Interest Rates and Fees

Loan Products	Average Rate at Credit Unions (%)	Average Rate at Banks (%)	Rate Difference vs. Banks (%)
60-month new car (A paper)	2.91	4.24	-1.32
48-month used car (A paper)	2.87	4.52	-1.65
Unsecured loan (A paper)	8.94	10.07	-1.13
5-year adjustable rate 1st mortgage, 0 pts	3.03	3.56	-0.54
15-year fixed rate 1st mortgage, 0 pts	2.68	2.70	-0.02
30-year fixed rate 1st mortgage, 0 pts	3.24	3.19	0.06
Home equity / 2nd mtg, 80% LTV 0 pts	6.00	4.00	2.00
Credit card - rewards	8.32	11.86	-3.54
Credit card - platinum	9.95	12.49	-2.55
Savings Products			
Regular savings, \$1,000 balance	0.25	0.10	0.15
Share draft checking, \$5,000 balance	0.30	0.02	0.28
Money market accounts	0.10	0.05	0.05
1 Year certificate \$10,000 balance	0.31	0.19	0.11
Retirement (IRA) accounts	0.20	0.12	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

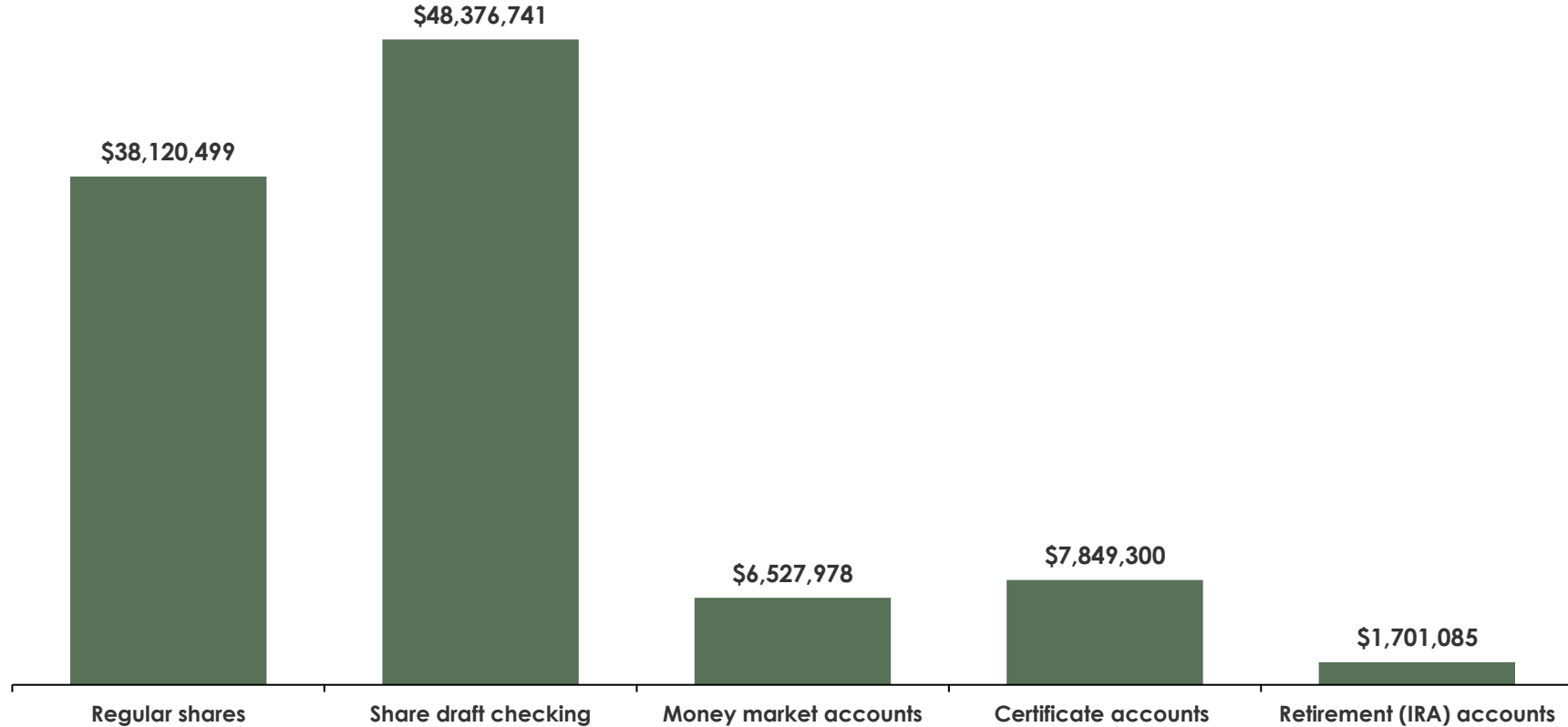
Estimated Credit Union Loan Benefits

Compared to State Banking Institutions
by Loan Type



Estimated Credit Union Savings Dividend Benefits

Compared to State Banking Institutions by Account Type



Membership Benefits Report

CUNA Economics and Statistics

Estimated Financial Benefits for Washington Credit Unions September 2021

Loans	Avg. Balance at Credit Unions (1)	Rate Difference vs. Washington Banks (%) (2)	Total Financial Benefit to Your Members
New car loans	5,685,258,705	-1.32	\$75,272,825
Used car loans	8,790,566,803	-1.65	\$144,956,447
Personal unsecured loans	1,217,983,754	-1.13	\$13,751,037
5-year adjustable rate 1st mortgage	8,673,714,066	-0.54	\$46,491,107
15-year fixed rate 1st mortgage	3,991,016,195	-0.02	\$638,563
30-year fixed rate 1st mortgage	7,586,368,150	0.06	-\$4,248,366
Home equity / 2nd mortgage loans	3,623,842,471	2.00	-\$72,331,896
Credit cards	2,483,945,327	-3.54	\$81,696,962
Interest rebates			\$5,599
Total CU member benefits arising from lower interest rates on loan products:			\$286,232,277
Savings			
Regular shares	25,413,666,036	0.15	\$38,120,499
Share draft checking	17,094,254,717	0.28	\$48,376,741
Money market accounts	13,599,954,941	0.05	\$6,527,978
Certificate accounts	7,008,303,868	0.11	\$7,849,300
Retirement (IRA) accounts	2,126,356,482	0.08	\$1,701,085
Bonus dividends in period			\$0
Total CU member benefit arising from higher interest rates on savings products:			\$102,575,604
Fee Income			
Total CU member benefit arising from fewer / lower fees:			\$48,396,268
Total CU member benefit arising from interest rates on loans, savings products and lower fees:			\$437,204,149
Total CU member benefit / member:			\$102
Total CU member benefit / member household:			\$214

Source: Datatrac, NCUA, and CUNA

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

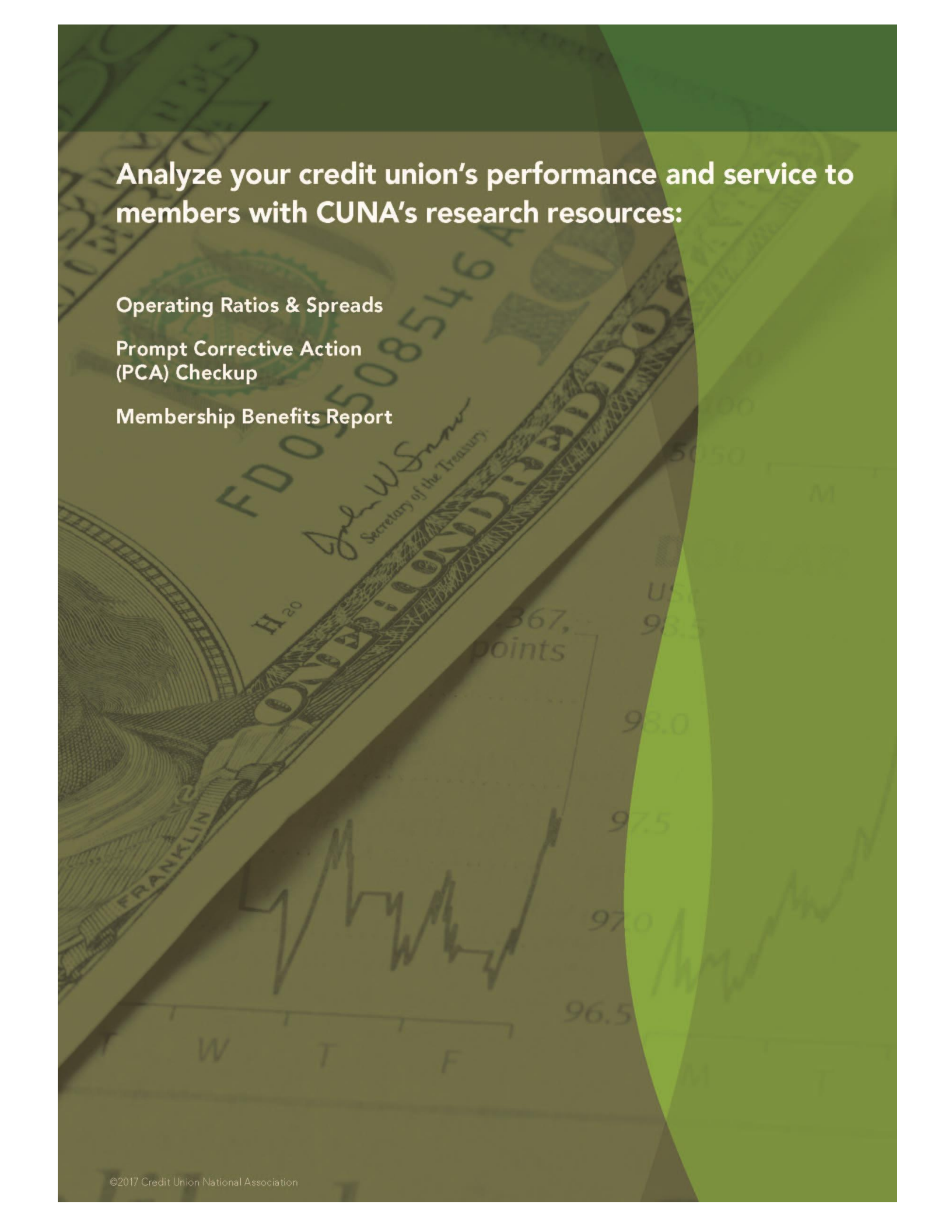
Membership Benefits Report

CUNA Economics and Statistics

Washington Credit Union Performance Profile

Demographic Information	Sep 21	Sep 20
Number of branches	556	569
Total assets (\$ mil)	81,319	70,928
Total loans (\$ mil)	47,554	45,842
Total surplus funds (\$ mil)	30,932	22,591
Total savings (\$ mil)	70,799	60,770
Total members (thousands)	4,371	4,261
Growth Rates (Trailing 12 months) *		
Total assets	14.9 %	18.4 %
Total loans	4.0 %	5.2 %
Total surplus funds	37.1 %	62.4 %
Total savings	16.8 %	21.9 %
Total members	3.2 %	4.0 %
Earnings - Basis Pts. *		
Yield on total assets	283	348
Dividend / interest cost of assets	28	51
Fee & other income	128	122
Operating expense	277	300
Loss Provisions	3	51
Net Income (ROA) after stabilization exp	103	67
Capital Adequacy		
Net worth / assets	9.8	10.2
Asset Quality *		
Delinquencies / loans	0.2	0.3
Net chargeoffs / average loans	0.2	0.4
Total borrower-bankruptcies	21	33
Bankruptcies per 1000 members	0.4	0.6
Asset/Liability Management		
Loans / savings	67.2	75.4
Loans / assets	58.5	64.6
Long-term assets / assets	38.5	35.0
Core deposits/shares & borrowings	65.2	61.5
Productivity		
Members / potential members	2.6	2.7
Borrowers / members	55.2	61.2
Members / FTE	379	381
Average shares / members (\$)	16,197	14,260
Average loan balances (\$)	19,711	17,566
Salary & Benefits / FTE	101,202	95,112

* 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