

CUNA Orange County's Credit Union

MEMBERSHIP BENEFITS REPORT



Orange County's Credit Union

The Benefits of Membership

Credit unions generally provide financial benefits to members through lower loan rates, higher savings rates, and fewer fees than banking institutions.

The Credit Union National Association (CUNA) estimates that Orange County's Credit Union provided \$26,196,899 in direct financial benefits to its 107,794 members during the twelve months ending December 2018 ⁽¹⁾.

These benefits are equivalent to \$243 per member or \$510 per member household ⁽²⁾.

The per-member and per-household member benefits delivered by Orange County's Credit Union are substantial. But, these benefits are reported as averages. Mathematically, that means the total benefits you provide are divided across all members (or all member households) - even those who conduct very little financial business with the credit union.

For example, financing a \$30,000 new automobile for 60 months at Orange County's Credit Union will save members an average \$282 per year in interest expense compared to what they would pay at a banking institution in the state. That's approximately \$1,410 in savings over 5 years.

Further, loyal members⁽³⁾ - those who use the credit union extensively - often receive total financial benefits that are much greater than the average.

CUNA estimates that Orange County's Credit Union provided loyal high-use member households \$1,689 in direct financial benefits during the twelve month period.

Orange County's Credit Union excels in providing member benefits in many loan and savings products. In particular, Orange County's Credit Union offers lower 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.

Orange County's Credit Union also pays its members higher dividends on the following accounts: regular savings, certificate accounts, IRAs.



Member Benefit Marketing Toolkit

Show members how much you save them!

www.datatrac.net/memberbenefits

Website Widgets • Facebook App
Digital Lobby Graphics • Member Handouts



Source: Datatrac, NCUA, and CUNA.

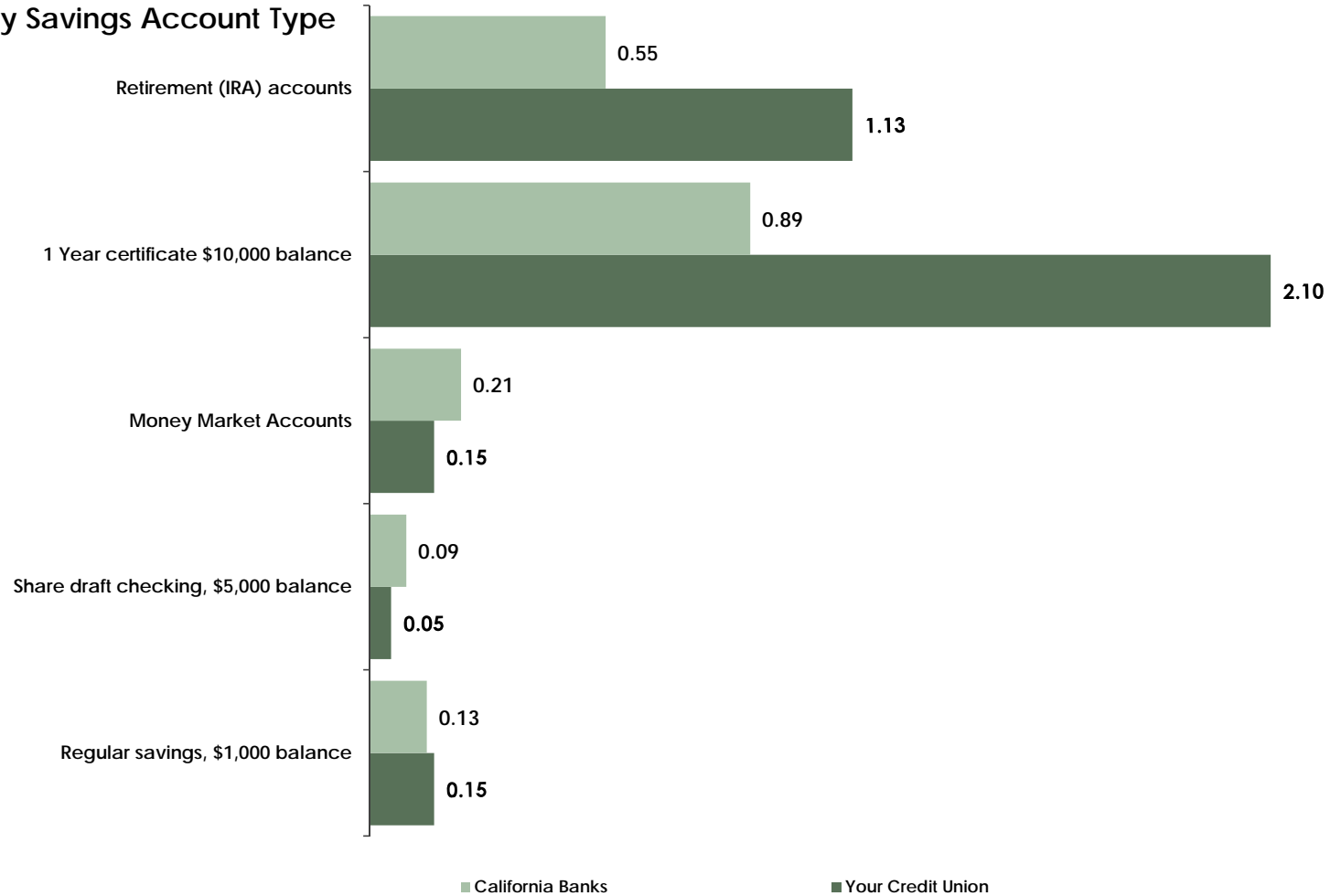
(1) Rates and fees as of 5/24/2019.

(2) Assumes 2.1 credit union members per household.

(3) A "loyal member" is assumed to have a \$30,000, 60-month new auto loan, a classic credit card with an average balance of \$5,000, a \$200,000, 30-year fixed rate mortgage (a 30-year fixed rate mortgage is replaced with a 5-year adjustable rate mortgage if it yields a greater benefit as it is assumed more in demand), \$5,000 in an interest-bearing checking account, \$10,000 in a one-year certificate account, and \$2,500 in a money market account.

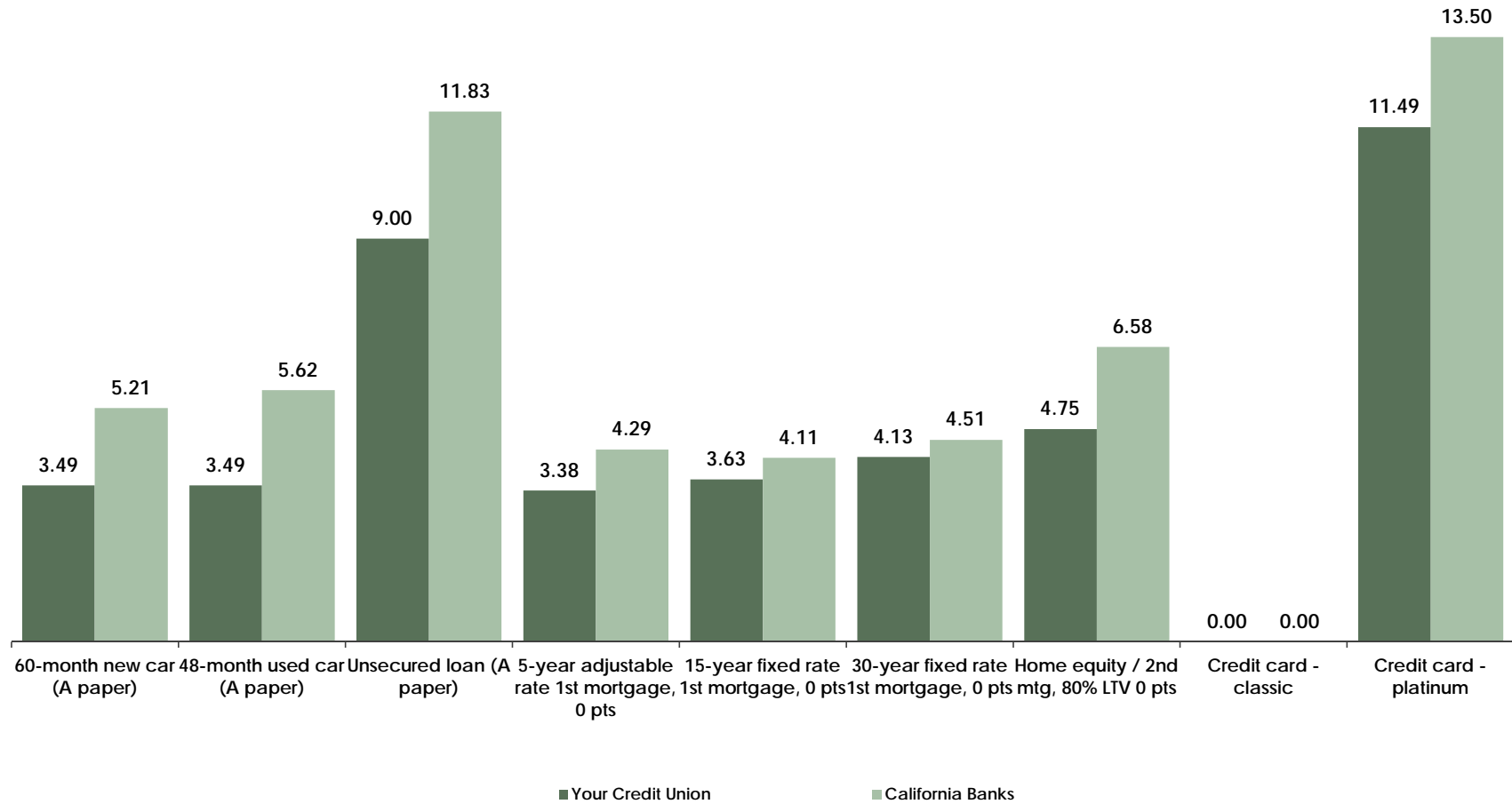
Savings Product Comparative Interest Rates (%)

by Savings Account Type



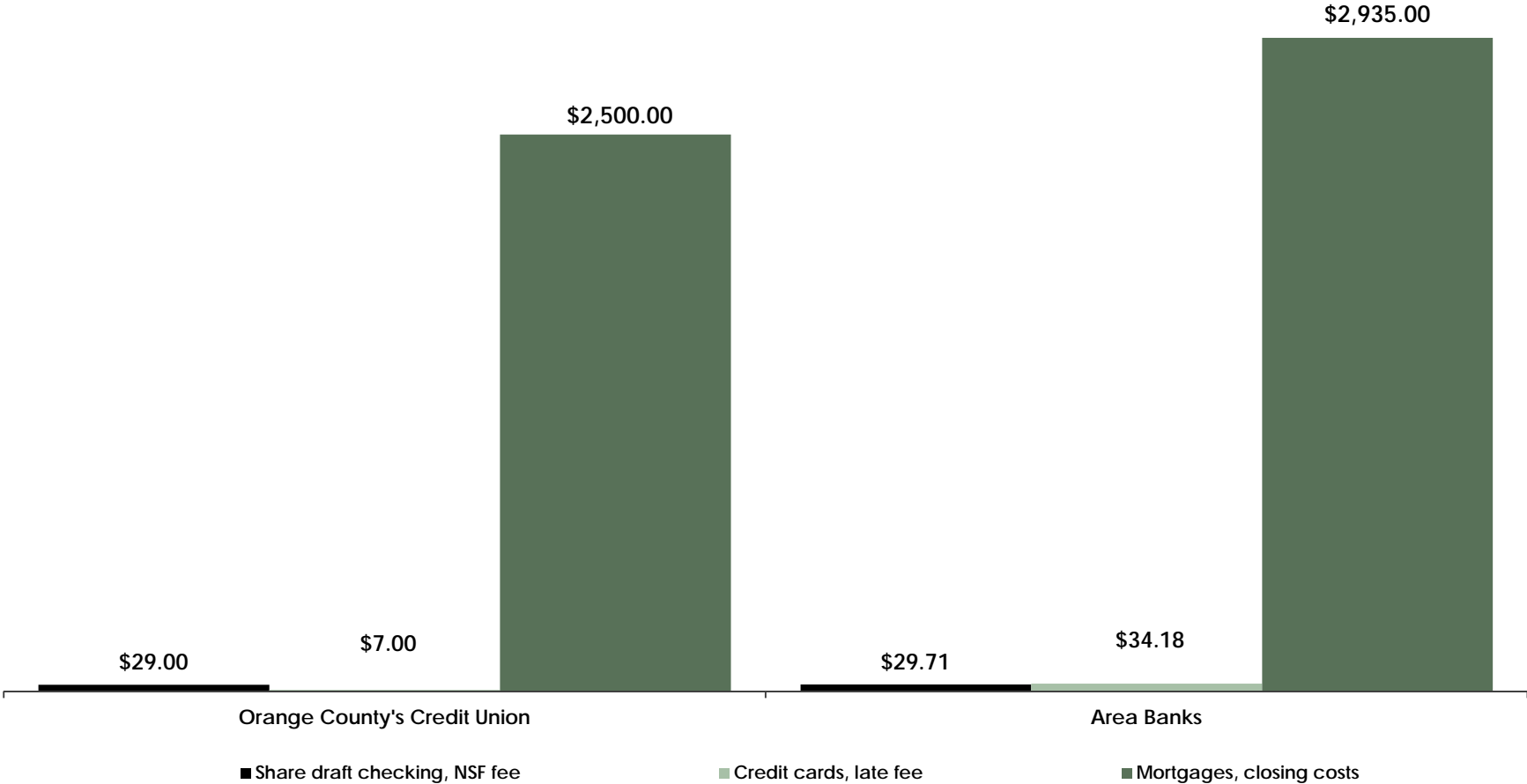
Loan Product Comparative Interest Rates (%)

by Loan Type



Comparative Fees

by Type



Interest Rates at Orange County's Credit Union and Banking Institutions in California

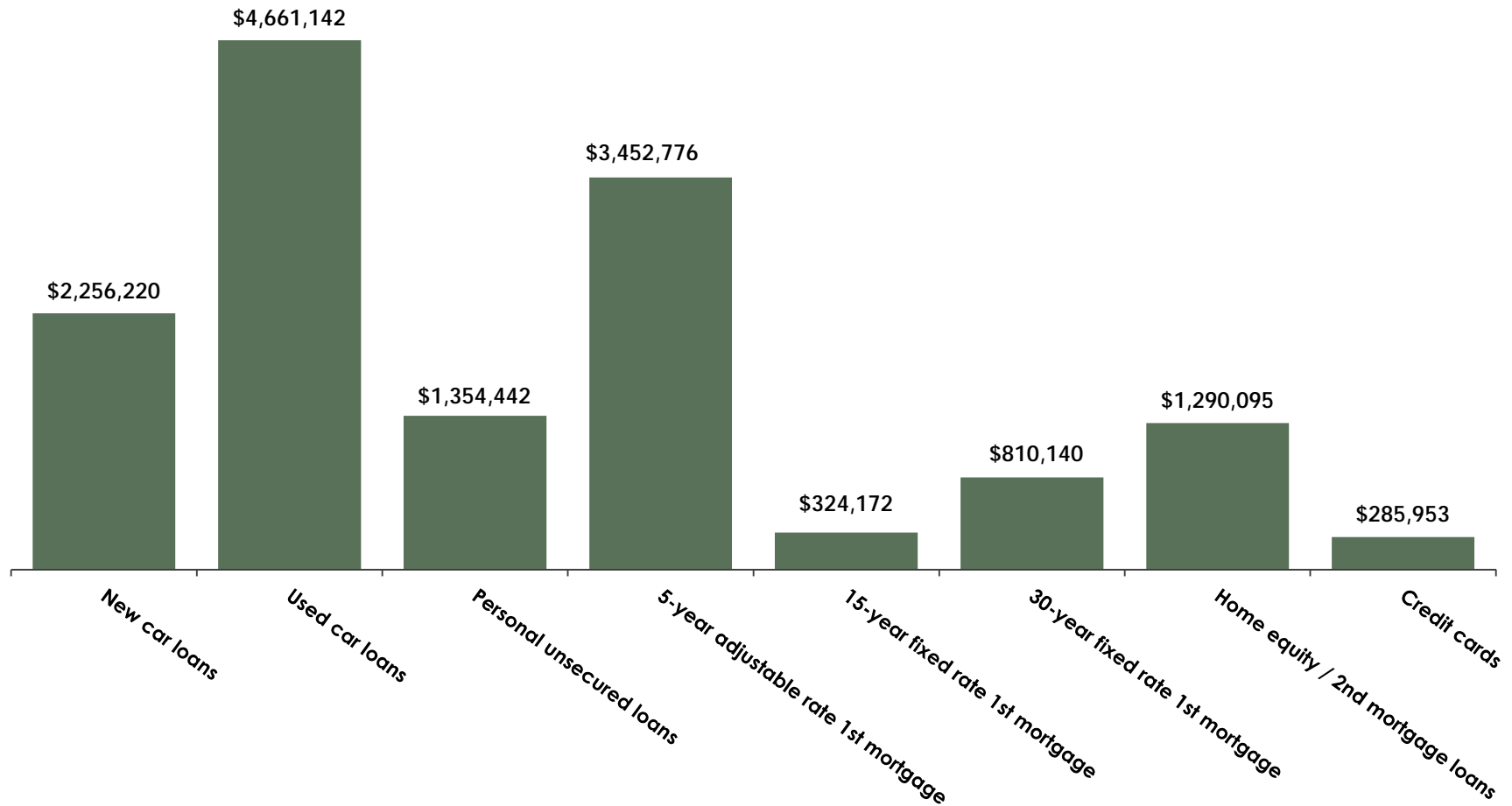
Loan Products	Rate at your Credit Union (%) *	Average Rate at Banks (%) *	Rate Difference vs. Banks (%)
60-month new car (A paper)	3.49	5.21	-1.72
48-month used car (A paper)	3.49	5.62	-2.13
Unsecured loan (A paper)	9.00	11.83	-2.83
5-year adjustable rate 1st mortgage, 0 pts	3.38	4.29	-0.92
15-year fixed rate 1st mortgage, 0 pts	3.63	4.11	-0.48
30-year fixed rate 1st mortgage, 0 pts	4.13	4.51	-0.38
Home equity / 2nd mtg, 80% LTV 0 pts	4.75	6.58	-1.83
Credit card - classic	0.00	0.00	0.00
Credit card - platinum	11.49	13.50	-2.01
Savings Products			
Regular savings, \$1,000 balance	0.15	0.13	0.02
Share draft checking, \$5,000 balance	0.05	0.09	-0.04
Money Market Accounts	0.15	0.21	-0.06
1 Year certificate \$10,000 balance	2.10	0.89	1.21
Retirement (IRA) accounts	1.13	0.55	0.58
Fee Income			
Share draft checking, NSF fee	\$29.00	\$29.71	-\$0.71
Credit cards, late fee	\$7.00	\$34.18	-\$27.18
Mortgages, closing costs	\$2,500.00	\$2,935.00	-\$435.00

*Rates and fees as of 5/24/2019. Credit union rates provided by individual credit union, bank rates provided by Datatrac.

Your Credit Union's Total Loan Rate Benefits

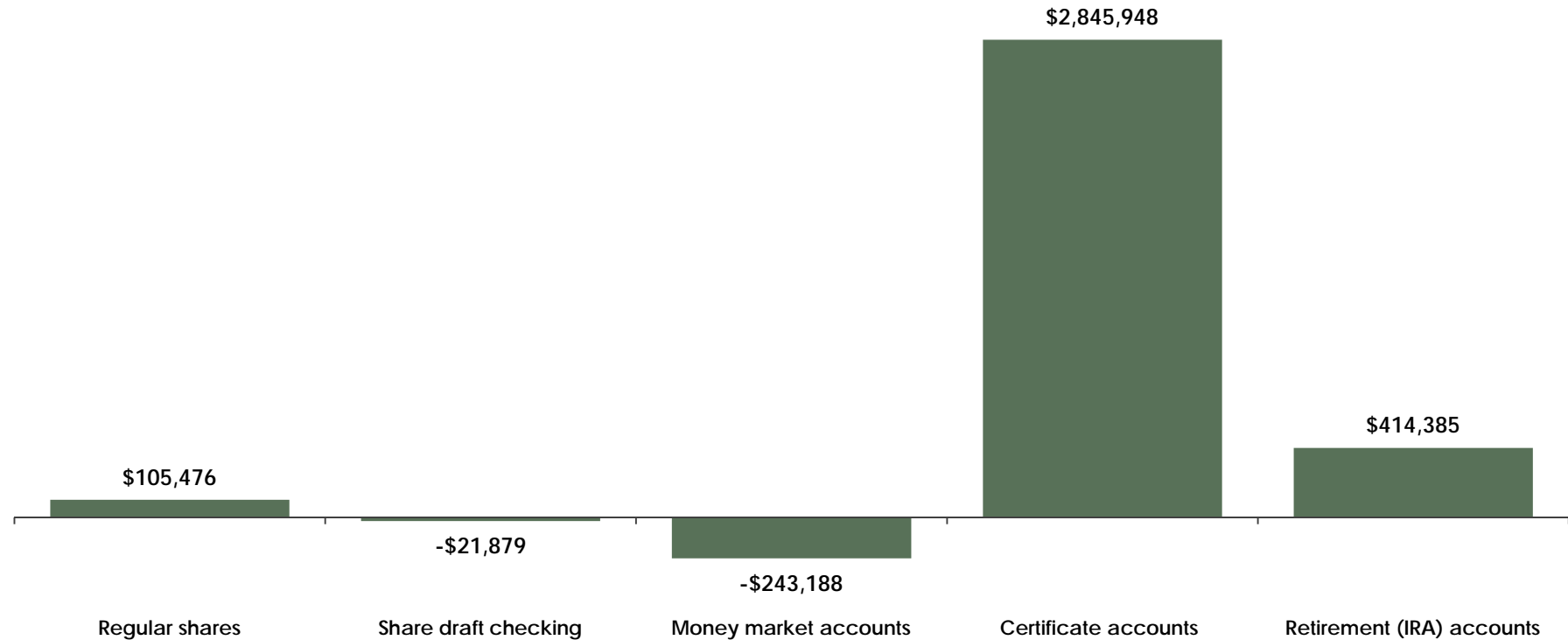
Compared to Banking Institutions in Your State

by Loan Type

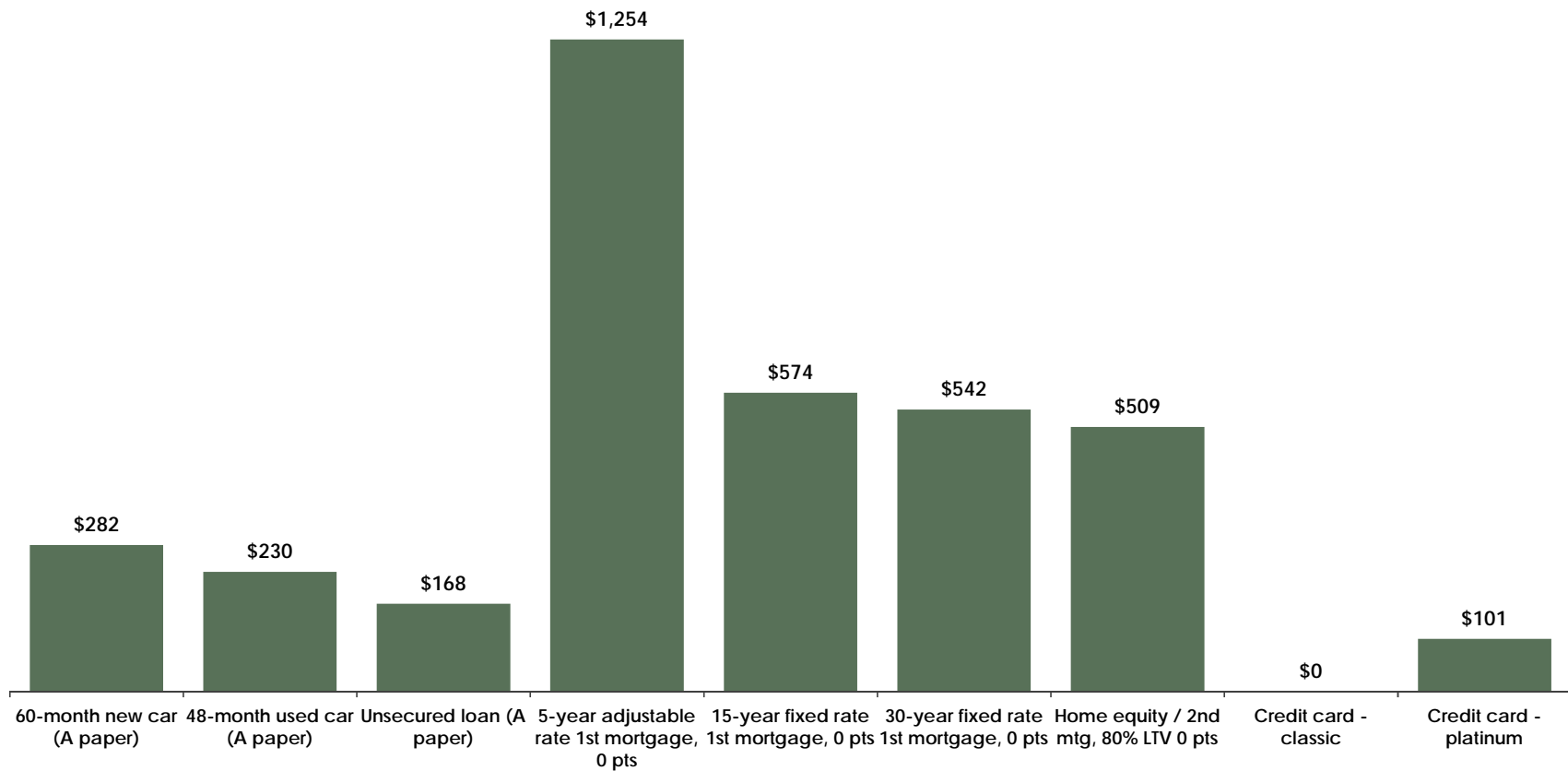


Your Credit Union's Total Savings Dividend Benefits

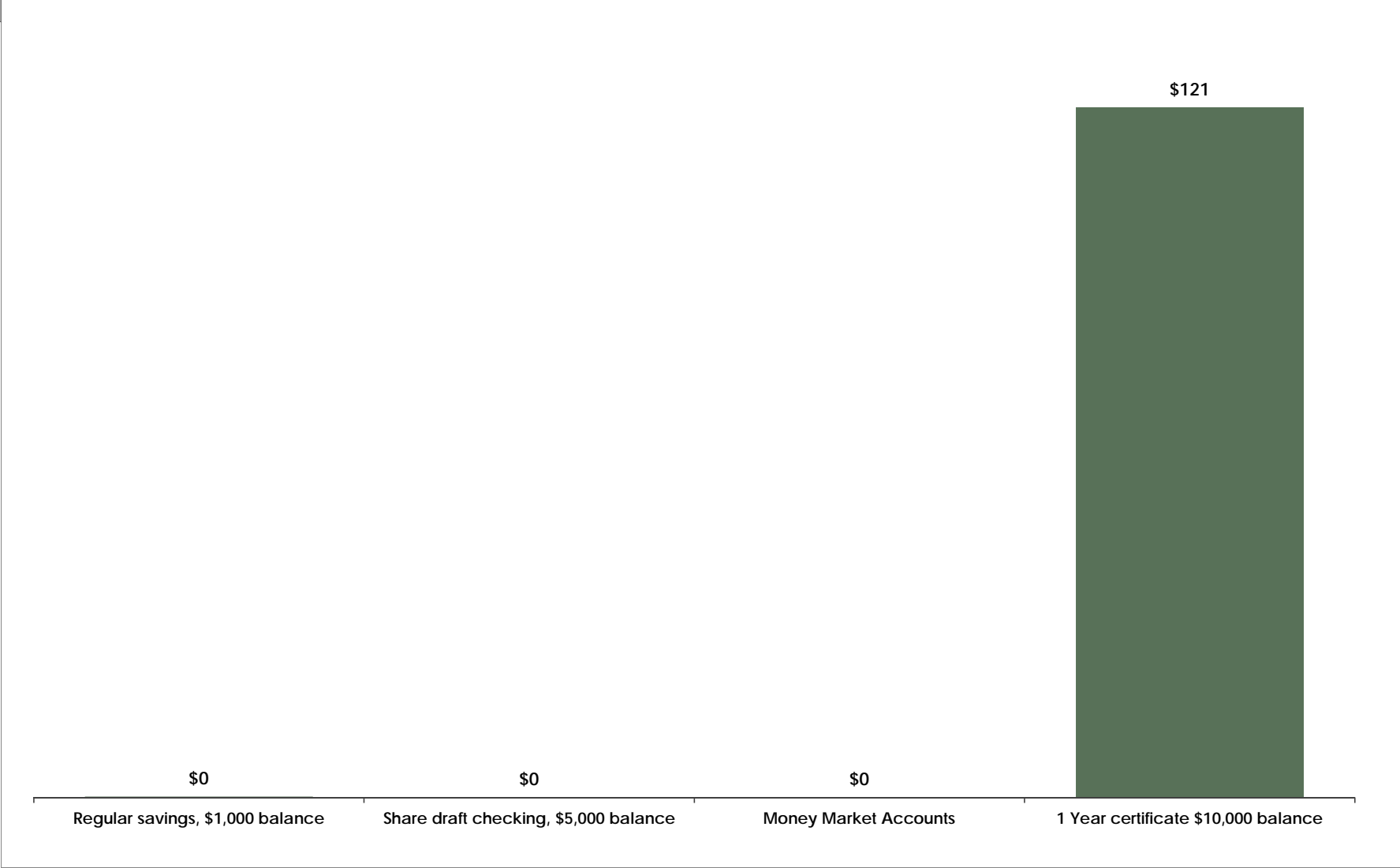
Compared to Banking Institutions in Your State
by Account Type



Annual Member Benefit of Loan Products with Various Terms



Annual Member Benefit on Savings Products with Various Terms



Savings terms include:

Regular Savings: \$1,000 balance; Share Draft Checking: \$5,000; Money Market Accounts: \$2,500 balance; 1-Yr Certificates: \$10,000

Estimated Financial Benefits for Orange County's Credit Union

Loans	Avg. Balance at Your Credit Union (1)	Rate Difference vs. California Banks (%) (2)	Financial Benefit to Your Members
New car loans	130,871,251	-1.72	\$2,256,220
Used car loans	219,244,692	-2.13	\$4,661,142
Personal unsecured loans	47,792,606	-2.83	\$1,354,442
5-year adjustable rate 1st mortgage	376,940,633	-0.92	\$3,452,776
15-year fixed rate 1st mortgage	67,535,766	-0.48	\$324,172
30-year fixed rate 1st mortgage	210,974,078	-0.38	\$810,140
Home equity / 2nd mortgage loans	70,420,014	-1.83	\$1,290,095
Credit cards	14,219,420	0.00	\$285,953
Interest rebates			\$0
Total CU member benefits arising from lower interest rates on loan products:			\$14,434,940
Savings			
Regular shares	620,449,227	0.02	\$105,476
Share draft checking	62,510,985	-0.04	-\$21,879
Money market accounts	386,012,829	-0.06	-\$243,188
Certificate accounts	234,620,651	1.21	\$2,845,948
Retirement (IRA) accounts	72,066,914	0.58	\$414,385
Bonus dividends in period			\$0
Total CU member benefit arising from higher interest rates on savings products:			\$3,100,743
Fee Income			
Total CU member benefit arising from fewer/lower fees:			\$8,661,216
Total CU member benefit arising from interest rates on loan and savings products and lower fees:			\$26,196,899
Total CU member benefit / member:			\$243
Total CU member benefit / member household:			\$510

Source: Datatrac, NCUA, and CUNA

(1) Average balance as of December 2018 and December 2017 according to the NCUA call report.

(2) Rates and fees as of 5/24/2019. Credit union rates provided by individual credit union, bank rates provided by Datatrac.

Certificate of Excellence

is hereby granted to:

Orange County's Credit Union

The Credit Union National Association has determined that Orange County's Credit Union provided \$26,196,899 in direct financial benefits to its 107,794 members during the twelve months ending in December 2018. These benefits are equivalent to approximately \$510 per member household.

Orange County's Credit Union provided loyal high-use member households \$1,689 in direct financial benefits.

Credit unions generally provide financial benefits to members by charging less for loans, paying more on deposits and charging fewer/lower fees compared to banking institutions.



Orange County's Credit Union Performance Profile

Demographic Information	Dec 18	Dec 17
Number of branches	10	10
Total assets (\$ mil)	1,618	1,561
Total loans (\$ mil)	1,192	1,096
Total surplus funds (\$ mil)	326	374
Total savings (\$ mil)	1,399	1,353
Total members (thousands)	111	105
Growth Rates (Year-to-date)		
Total assets	3.7 %	8.4 %
Total loans	8.8 %	16.1 %
Total surplus funds	-12.8 %	-12.9 %
Total savings	3.4 %	8.0 %
Total members	5.6 %	5.2 %
Earnings - Basis Pts.		
Yield on total assets	335	309
- Dividend/interest cost of assets	46	36
+ Fee & other income	159	137
- Operating expense	323	313
- Loss Provisions	13	14
= Net Income (ROA)	112	84
Capital adequacy		
Net worth / assets	10.7	9.9
Asset quality		
Delinquencies / loans	0.2	0.3
Net chargeoffs / average loans	0.2	0.2
Total borrower-bankruptcies	134	120
Bankruptcies per 1000 members	1.2	1.1
Asset/Liability Management		
Loans / savings	85.2	81.0
Loans / assets	73.6	70.2
Long-term assets / assets	26.9	27.3
Core deposits/shares & borrowings	48.3	47.9
Productivity		
Members/potential members	2.2	2.1
Borrowers/members	53.9	50.3
Members/FTE	356	355
Average shares/members (\$)	12,628	12,904
Average loan balances (\$)	19,978	20,789
Salary & Benefits/FTE	90,173	87,391



Transform member benefits into new business with a **Member Benefit Marketing Toolkit**

The Credit Union National Association (CUNA) and Datatrac have teamed up to bring you the analysis in this report. Member Benefit Marketing Tools provides you with practical applications for using data in this report to show members how much you save them, drive in new members, generate more loans and attract bigger deposits.

Member Benefit Marketing Tools prove to new and existing members:

- How much you saved your entire membership last year in interest and fees compared to the competition
- How much they will save on their next loan with you
- How much more they will earn on their deposits with you

Member Benefit Marketing Toolkits include:

- Lead generation for loans, deposits and new members
- Competitive comparison widgets for your website
- Facebook app
- Animated graphics for branch lobby digital displays
- Proof Points for use in marketing collateral
- Award Certification & Trophy
- Press releases
- Newsletter copy
- Member handouts
- Subscription to the CUNA Member Benefits Report

Visit www.datatrac.net/memberbenefits to see live examples, schedule a demo and receive a free competitive analysis.

A screenshot of a digital marketing widget. At the top, a yellow banner says "NEW". The main headline reads "Show members how much you save them." Below this, a green box states "Analysis as of May 4, 2017" and "ABC Financial CU members saved \$10,734,590!" with an "APPLY NOW" button. A comparison table shows "Auto Loan" for "ABC Financial" at 2.74% APY and "Jacksonville, Florida Member" at 3.76% APY, with a callout "up to 27% lower!". Other sections include "Boat Loan" and "Share Certificate". A "CUNA Membership Benefits Report" is shown as a document, with a callout stating "Datatrac widget links to your custom report". The bottom of the widget features the CUNA and DATATRAC logos.

NEW

Show members how much you save them.

Analysis as of May 4, 2017

ABC Financial CU members saved **\$10,734,590!**

APPLY NOW

Auto Loan

Jacksonville, Florida Member 3.76% APY

ABC Financial 2.74% APY

up to **27% lower!**

Boat Loan

Share Certificate

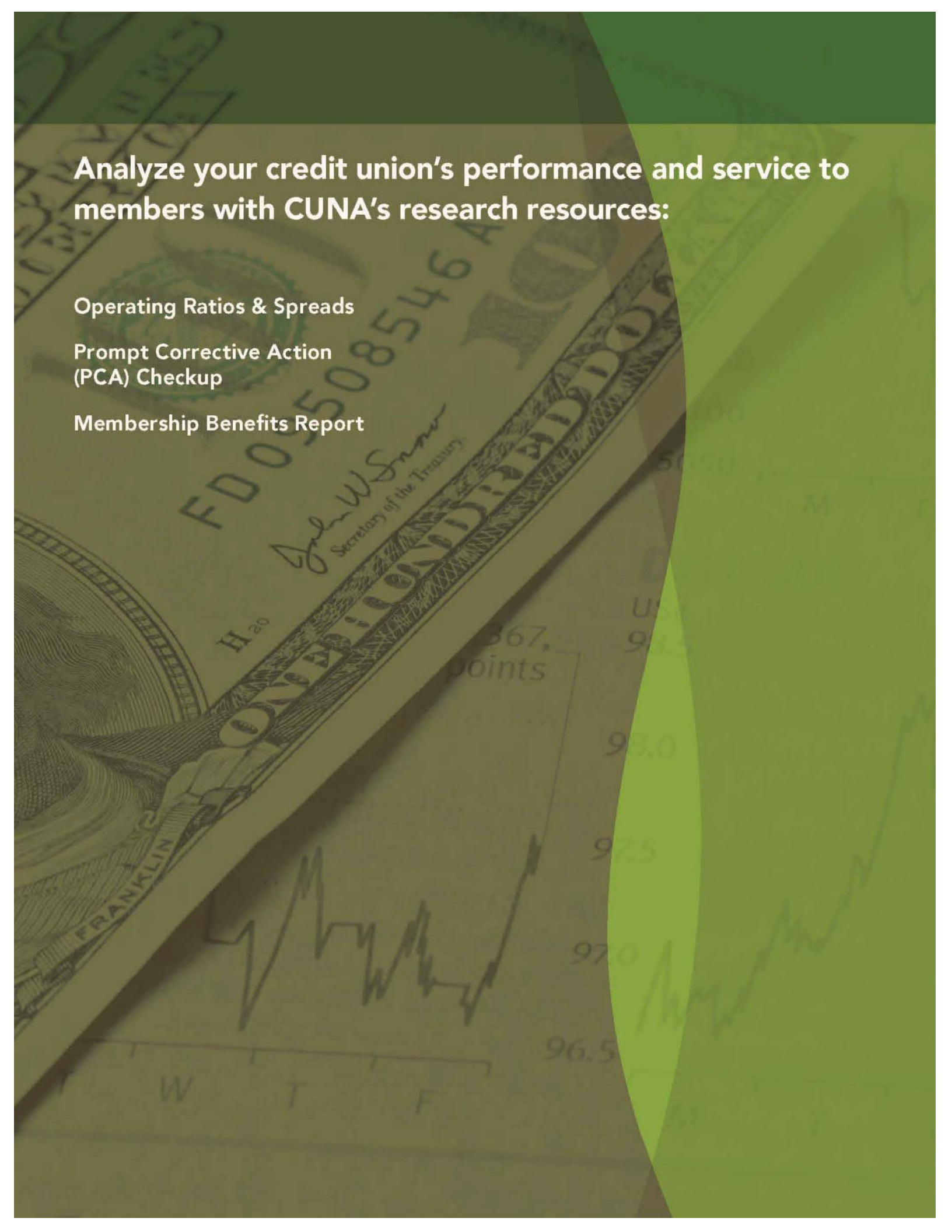
CUNA Membership Benefits Report

Datatrac widget links to your custom report

CUNA Credit Union National Association

DATATRAC Loan and Deposit Generators

Show members how much you save them with **Member Benefits Marketing Tools**



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