

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 \$27,214,343 in direct financial benefits to its 113,429 members during the twelve months ending December 2019 ⁽¹⁾.

These benefits are equivalent to \$240 per member or \$504 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 \$330 per year in interest expense compared to what they would pay at a banking institution in the state. That's approximately \$1,650 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 \$1,616 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: money market accounts, 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.

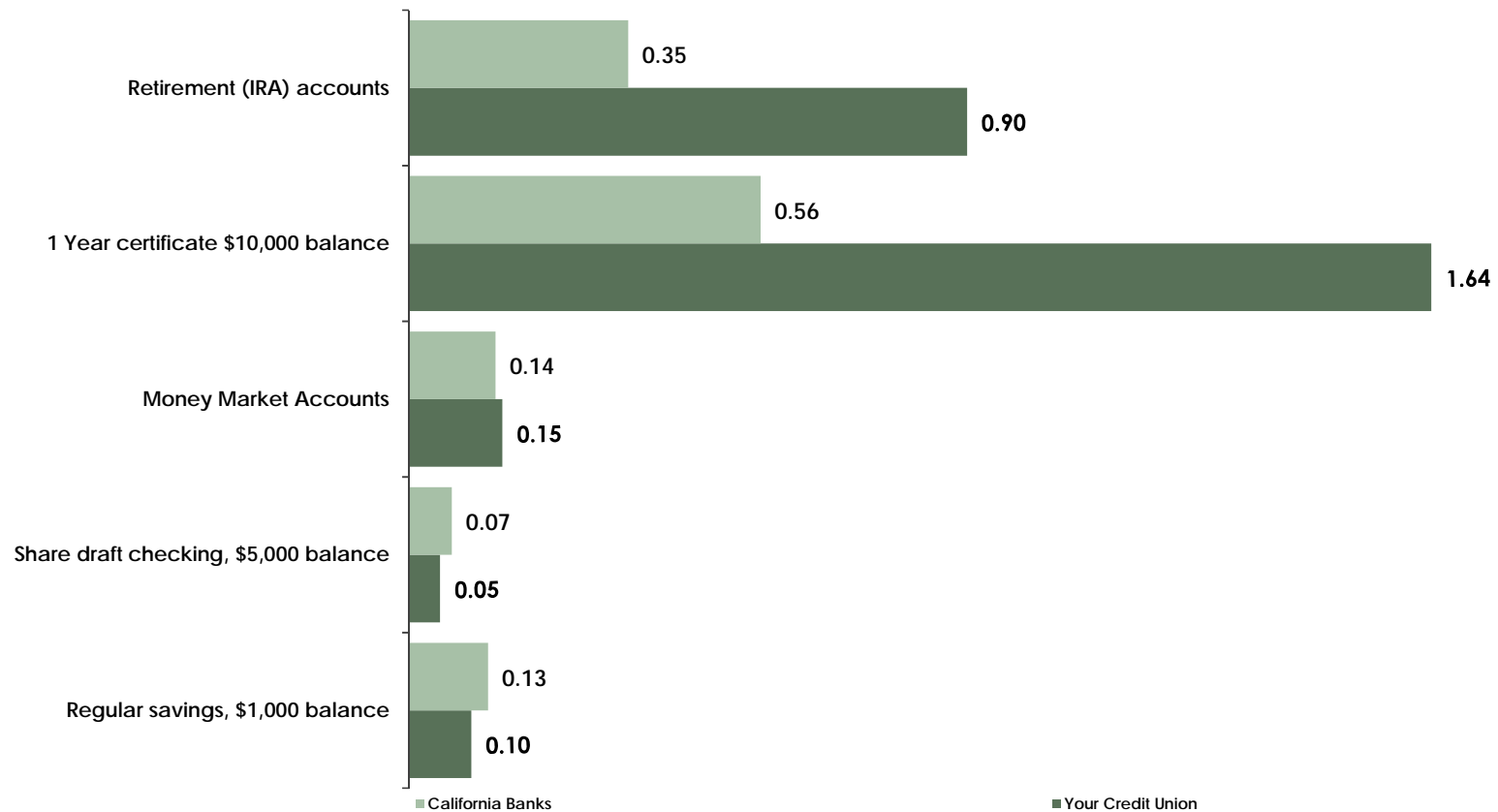
(1) Rates and fees as of 3/20/2020.

(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

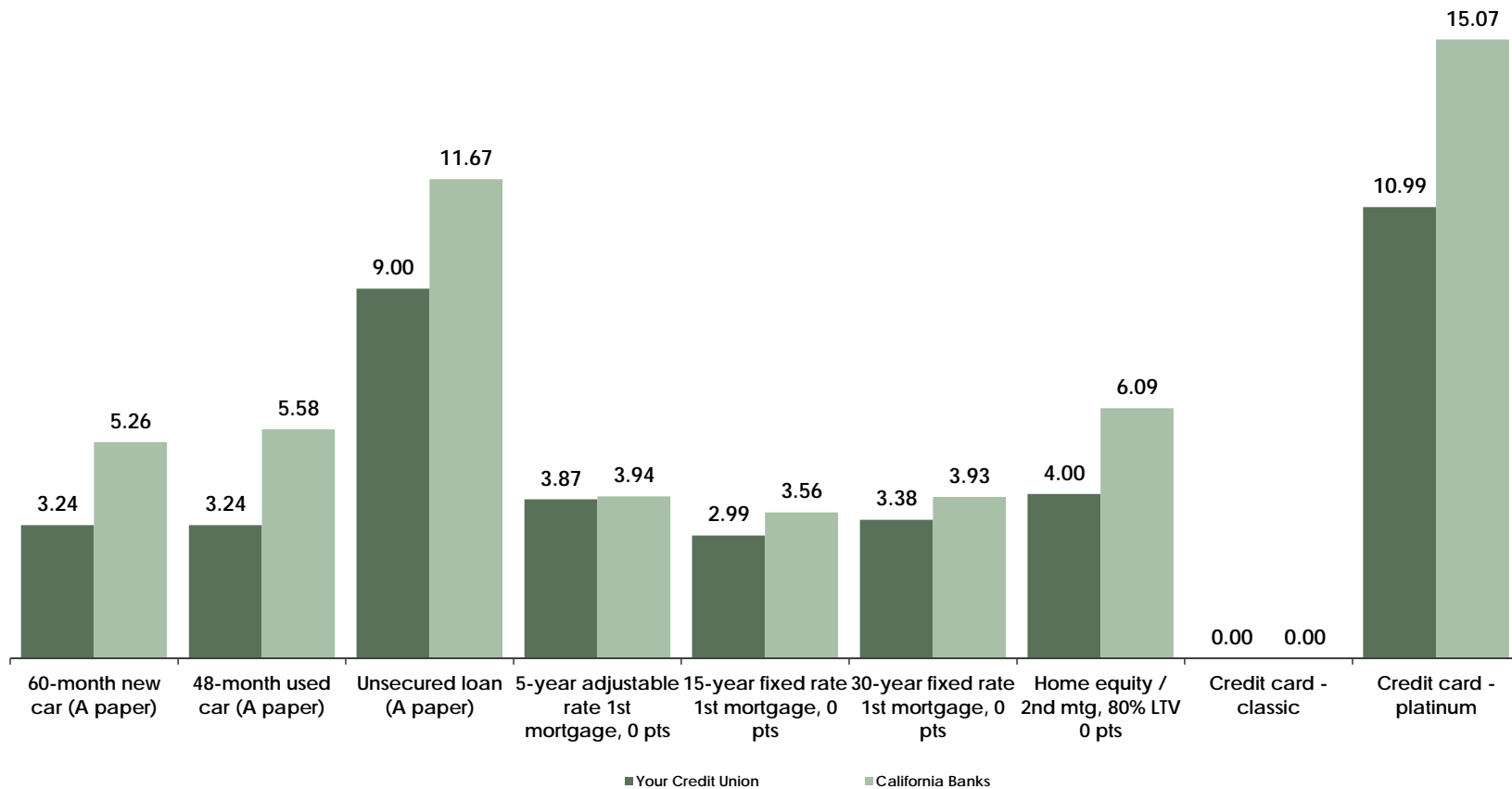


Membership Benefits Report

CUNA Economics and Statistics

Loan Product Comparative Interest Rates (%)

by Loan Type

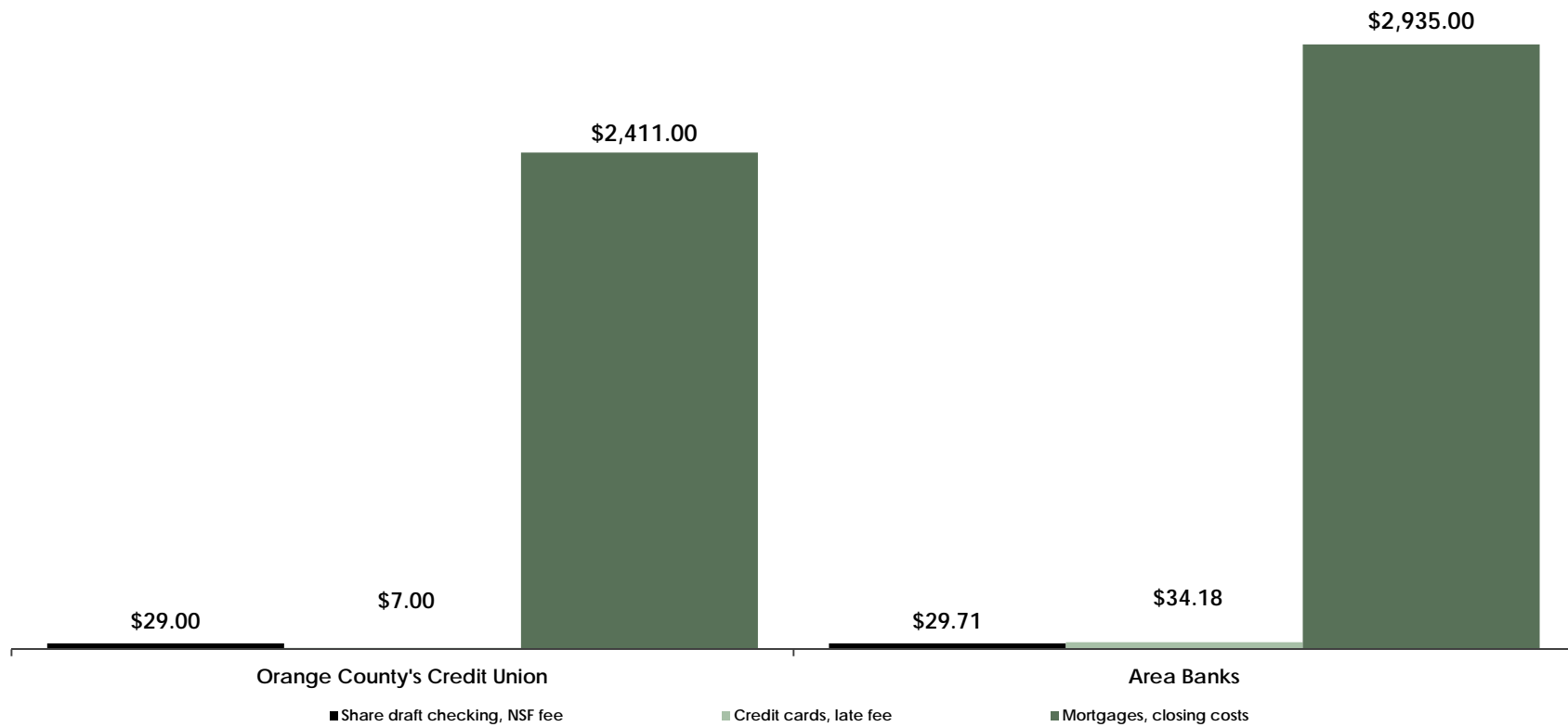


Membership Benefits Report

CUNA Economics and Statistics

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)	3.24	5.26	-2.02
48-month used car (A paper)	3.24	5.58	-2.34
Unsecured loan (A paper)	9.00	11.67	-2.67
5-year adjustable rate 1st mortgage, 0 pts	3.87	3.94	-0.07
15-year fixed rate 1st mortgage, 0 pts	2.99	3.56	-0.56
30-year fixed rate 1st mortgage, 0 pts	3.38	3.93	-0.56
Home equity / 2nd mtg, 80% LTV 0 pts	4.00	6.09	-2.09
Credit card - classic	0.00	0.00	0.00
Credit card - platinum	10.99	15.07	-4.08
Savings Products			
Regular savings, \$1,000 balance	0.10	0.13	-0.03
Share draft checking, \$5,000 balance	0.05	0.07	-0.02
Money Market Accounts	0.15	0.14	0.01
1 Year certificate \$10,000 balance	1.64	0.56	1.08
Retirement (IRA) accounts	0.90	0.35	0.54
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	\$2,411.00	\$2,935.00	-\$524.00

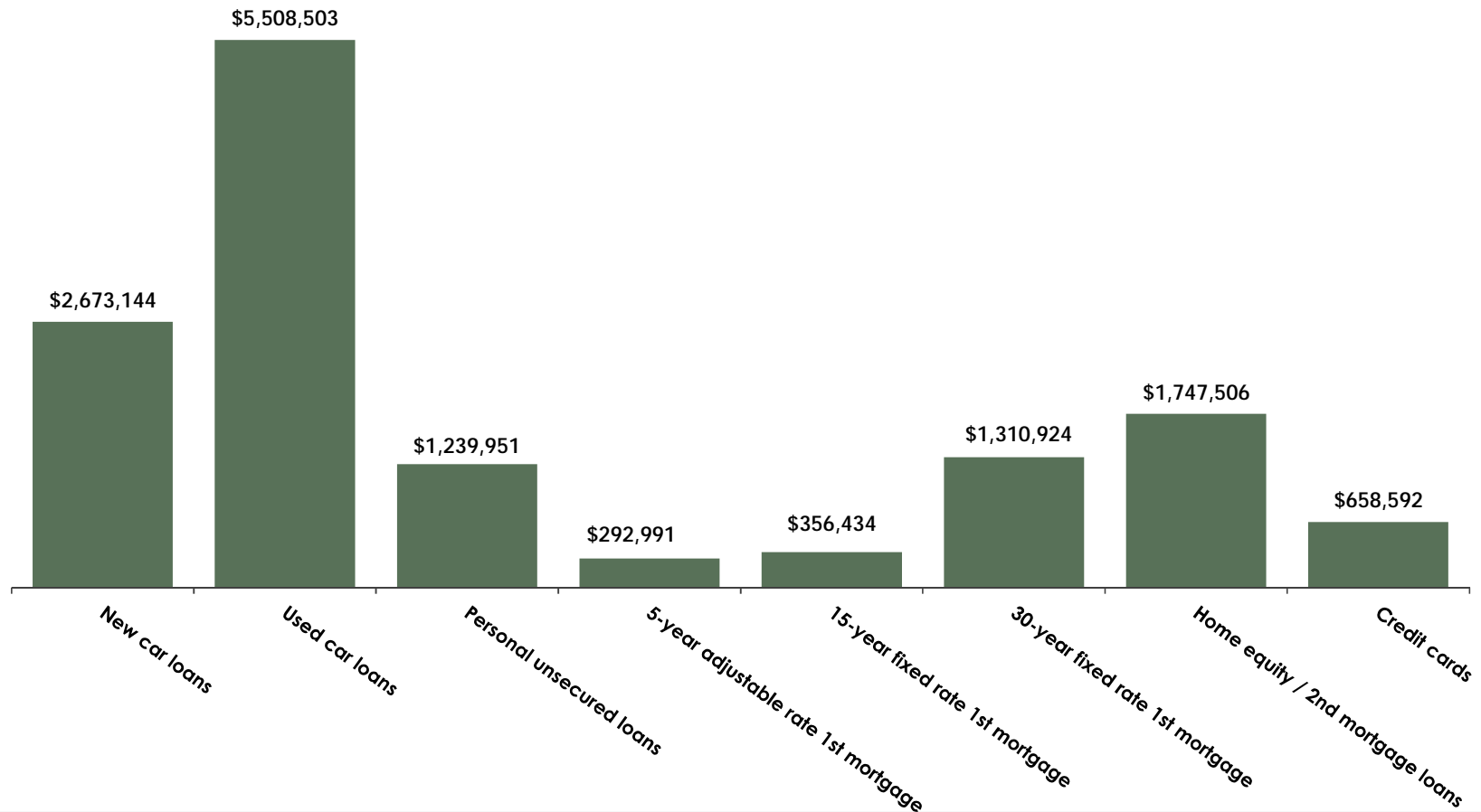
*Rates and fees as of 3/20/2020. Credit union rates provided by individual credit union, bank rates provided by Datatrac.

Membership Benefits Report

CUNA Economics and Statistics

Your Credit Union's Total Loan Rate Benefits

by Loan Type

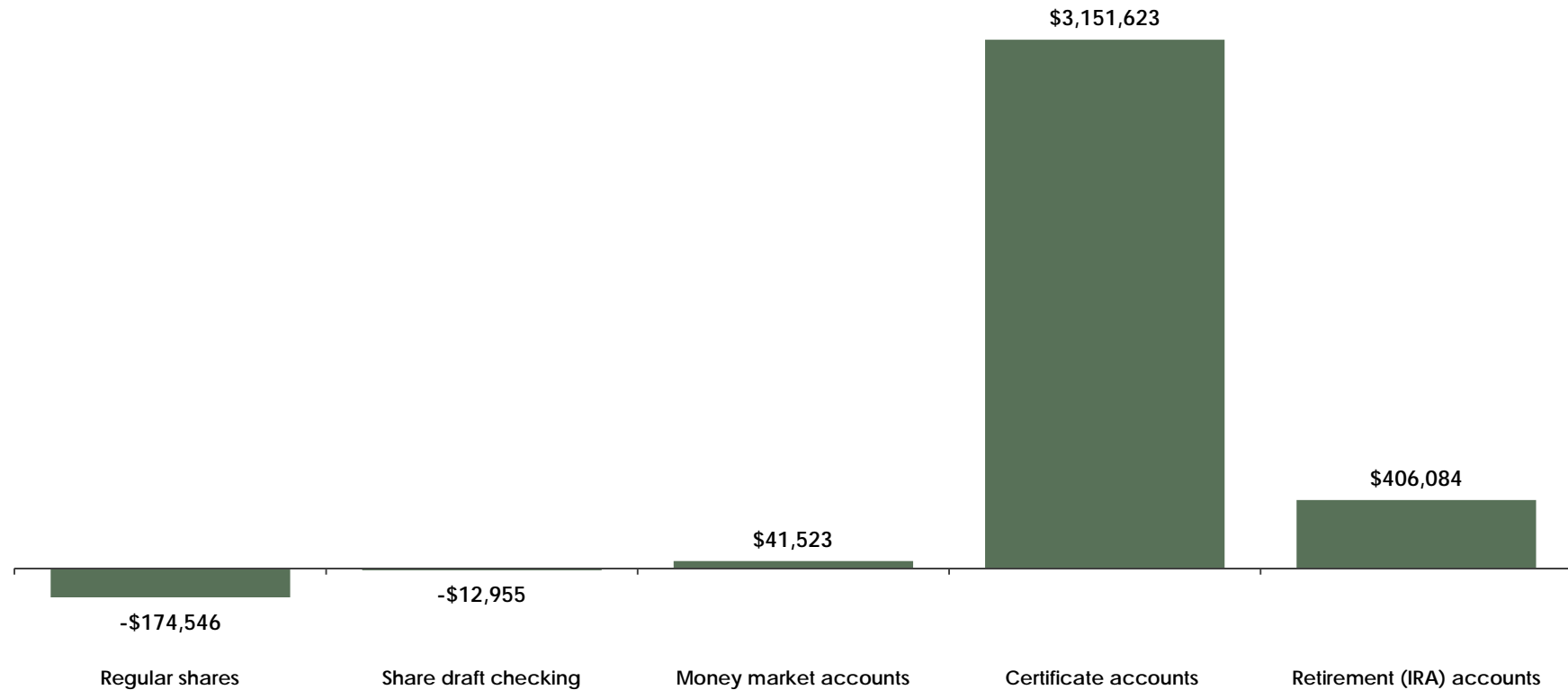


Membership Benefits Report

CUNA Economics and Statistics

Your Credit Union's Total Savings Dividend Benefits

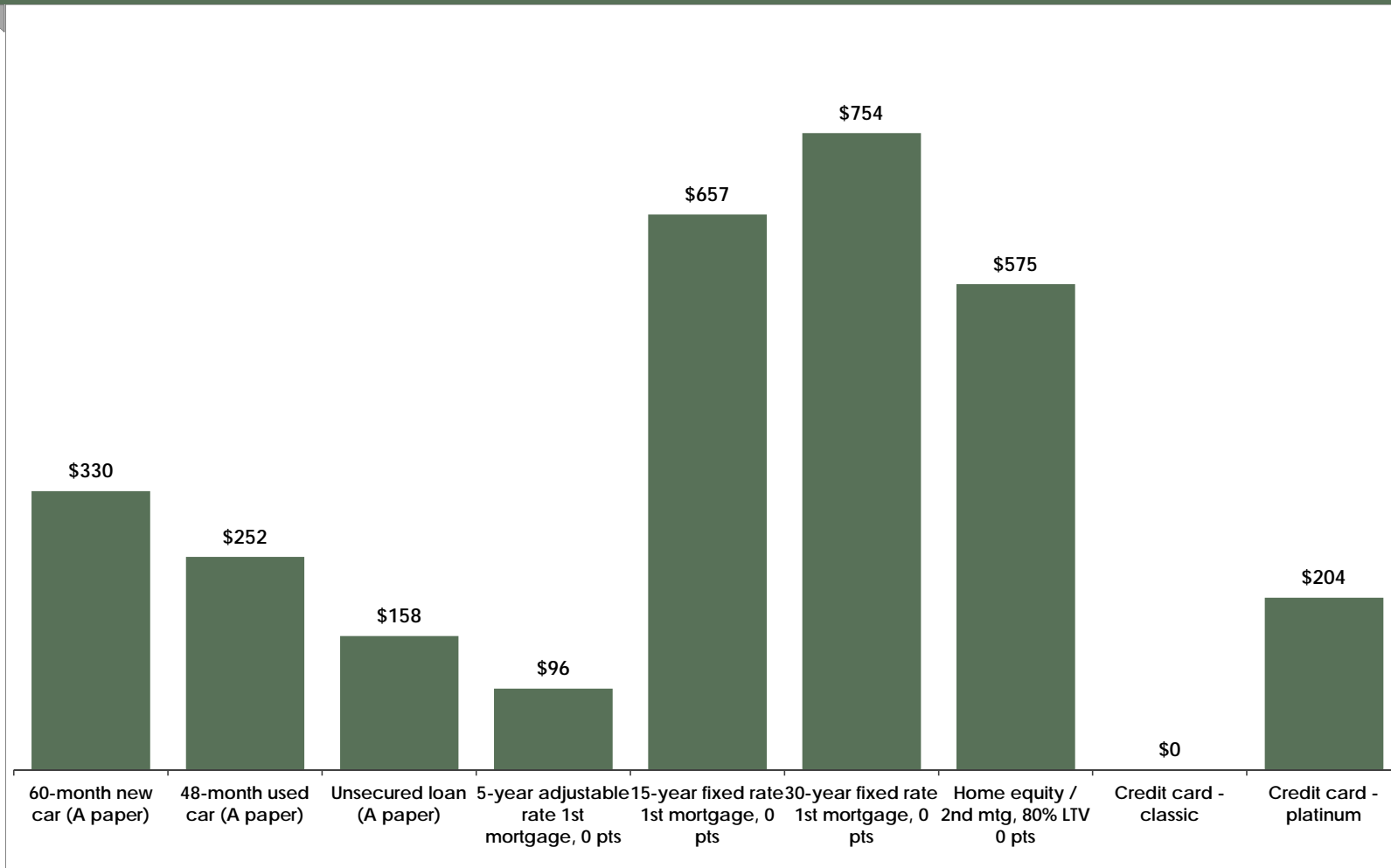
Compared to Banking Institutions in Your State
by Account Type



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CUNA Economics and Statistics

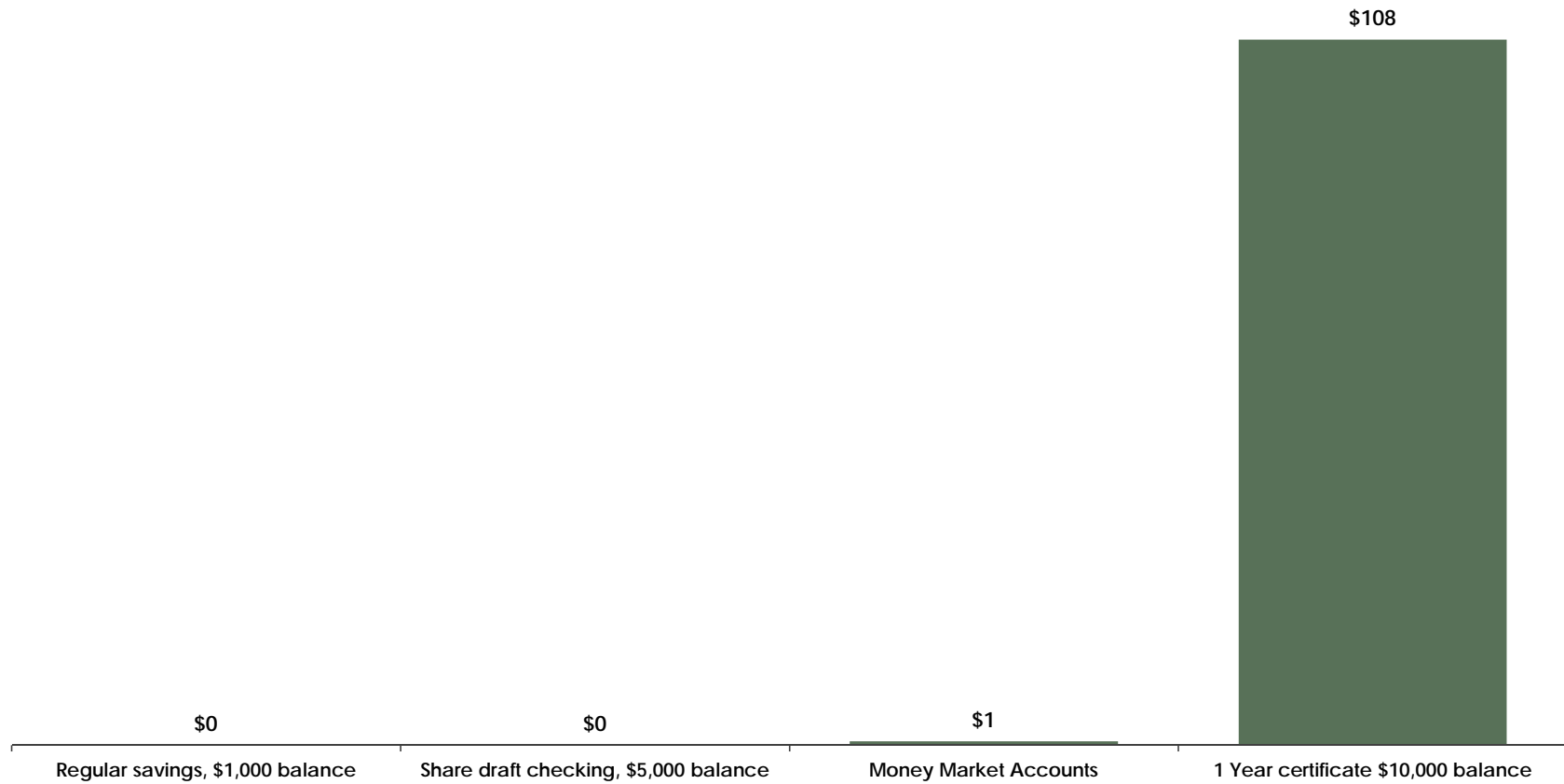
Annual Member Benefit of Loan Products with Various Terms



Membership Benefits Report

CUNA Economics and Statistics

Annual Member Benefit on Savings Products with Various Terms



Membership Benefits Report

CUNA Economics and Statistics

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	132,072,320	-2.02	\$2,673,144
Used car loans	235,809,203	-2.34	\$5,508,503
Personal unsecured loans	46,440,106	-2.67	\$1,239,951
5-year adjustable rate 1st mortgage	418,558,892	-0.07	\$292,991
15-year fixed rate 1st mortgage	63,309,855	-0.56	\$356,434
30-year fixed rate 1st mortgage	235,354,470	-0.56	\$1,310,924
Home equity / 2nd mortgage loans	83,612,705	-2.09	\$1,747,506
Credit cards	16,149,886	0.00	\$658,592
Interest rebates			\$0
Total CU member benefits arising from lower interest rates on loan products:			\$13,788,046
<i>Savings</i>			
Regular shares	646,466,431	-0.03	-\$174,546
Share draft checking	68,186,153	-0.02	-\$12,955
Money market accounts	377,479,473	0.01	\$41,523
Certificate accounts	292,901,762	1.08	\$3,151,623
Retirement (IRA) accounts	74,716,413	0.54	\$406,084
Bonus dividends in period			\$0
Total CU member benefit arising from higher interest rates on savings products:			\$3,411,728
<i>Fee Income</i>			
Total CU member benefit arising from fewer/lower fees:			\$10,014,570
Total CU member benefit arising from interest rates on loan and savings products and lower fees:			\$27,214,343
Total CU member benefit / member:			\$240
Total CU member benefit / member household:			\$504

Source: Datatrac, NCUA, and CUNA

(1) Average balance as of December 2019 and December 2018 according to the NCUA call report.

(2) Rates and fees as of 3/20/2020. 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 \$27,214,343 in direct financial benefits to its 113,429 members during the twelve months ending in December 2019. These benefits are equivalent to approximately \$504 per member household.

Orange County's Credit Union provided loyal high-use member households \$1,616 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.



Membership Benefits Report

CUNA Economics and Statistics

Orange County's Credit Union Performance Profile

Demographic Information	Dec 19	Dec 18
Number of branches	10	10
Total assets (\$ mil)	1,758	1,618
Total loans (\$ mil)	1,279	1,192
Total surplus funds (\$ mil)	366	326
Total savings (\$ mil)	1,521	1,399
Total members (thousands)	116	111
Growth Rates (Year-to-date)		
Total assets	8.6 %	3.7 %
Total loans	7.3 %	8.8 %
Total surplus funds	12.2 %	-12.8 %
Total savings	8.8 %	3.4 %
Total members	4.8 %	5.6 %
Earnings - Basis Pts.		
Yield on total assets	348	335
- Dividend/interest cost of assets	64	46
+ Fee & other income	133	159
- Operating expense	342	323
- Loss Provisions	21	13
= Net Income (ROA)	55	112
Capital adequacy		
Net worth / assets	10.3	10.7
Asset quality		
Delinquencies / loans	0.5	0.2
Net chargeoffs / average loans	0.2	0.2
Total borrower-bankruptcies	165	134
Bankruptcies per 1000 members	1.4	1.2
Asset/Liability Management		
Loans / savings	84.1	85.2
Loans / assets	72.7	73.6
Long-term assets / assets	24.8	27.1
Core deposits/shares & borrowings	47.1	48.3
Productivity		
Members/potential members	0.6	2.2
Borrowers/members	54.2	53.9
Members/FTE	365	356
Average shares/members (\$)	13,099	12,628
Average loan balances (\$)	20,310	19,978
Salary & Benefits/FTE	100,784	90,173



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

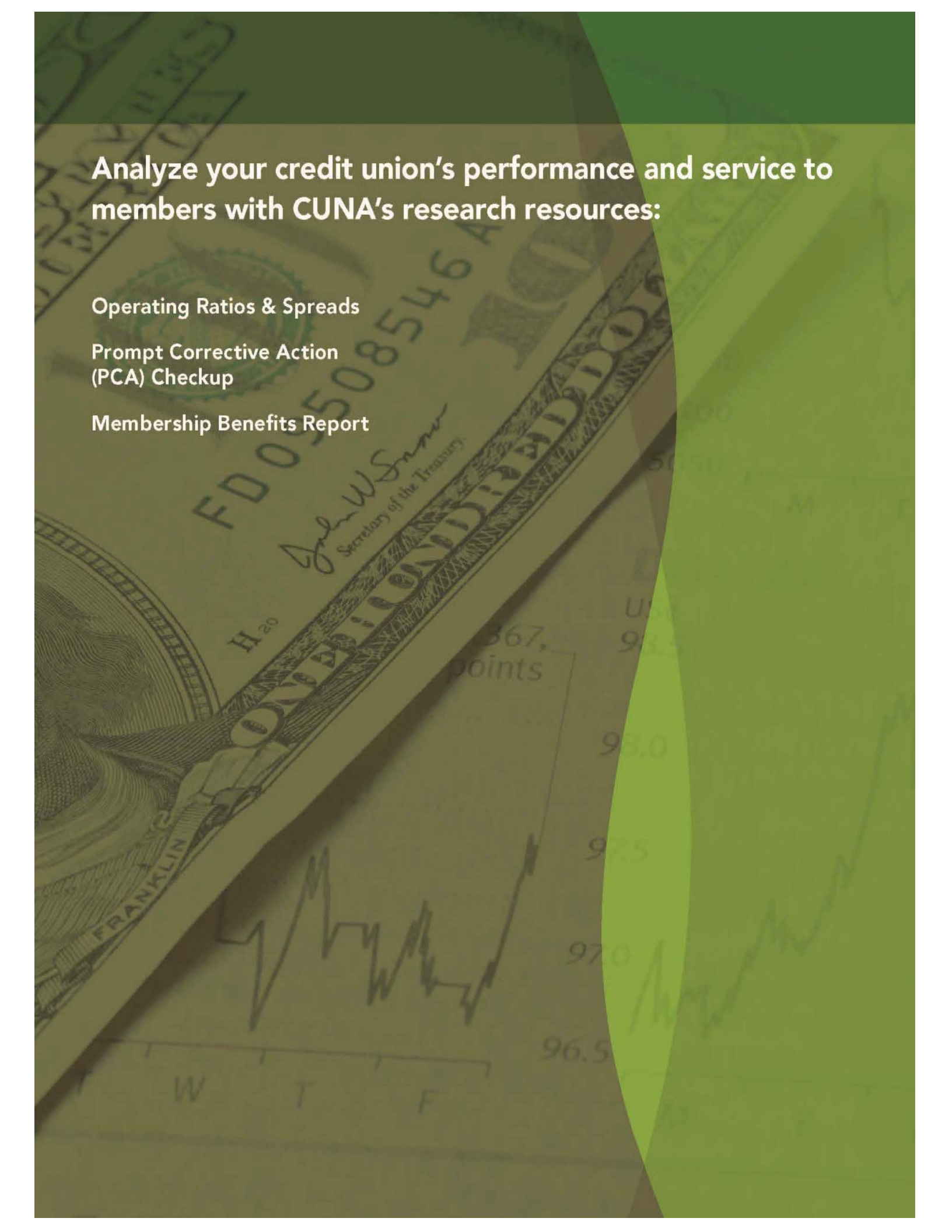
Member Benefit Marketing Toolkits include:

- 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.

An advertisement for the Member Benefit Marketing Tools. It features a green background with a white box containing a widget. The widget shows "ABC Financial CU members saved \$10,734,590!" and "up to 27% lower". There are three callout boxes: "Savings for your Entire Membership", "Savings by Product", and "CUNA Membership Benefits Report". The CUNA and DATATRAC logos are at the bottom.

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