

CUNA Georgia
MEMBERSHIP BENEFITS
REPORT

Georgia

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 Georgia credit unions provided \$238,631,615 in direct financial benefits to the state's 2,099,501 members during the twelve months ending September 2017.

These benefits are equivalent to \$114 per member or \$216 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 Georgia 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 Georgia credit unions.

Consider this:

Financing a \$25,000 new automobile for 60 months at a Georgia credit union will save members an average \$297 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.

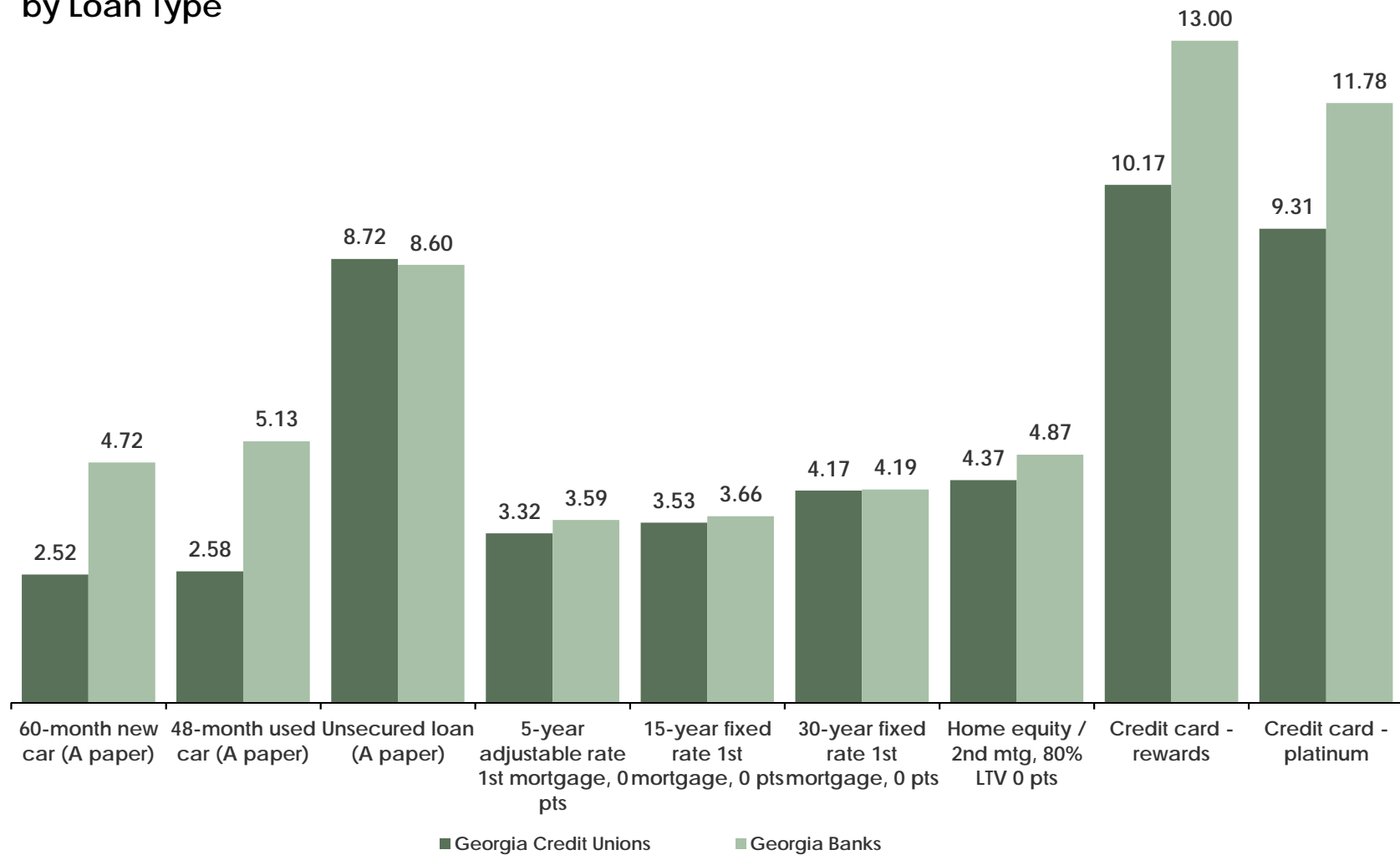
Georgia credit unions excel in providing member benefits on many loan and savings products. In particular, Georgia credit unions offer lower average loan rates on the following accounts: new car loans, used car loans, first mortgage-fixed rate, first mortgage-adjustable rate, home equity loans, credit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

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



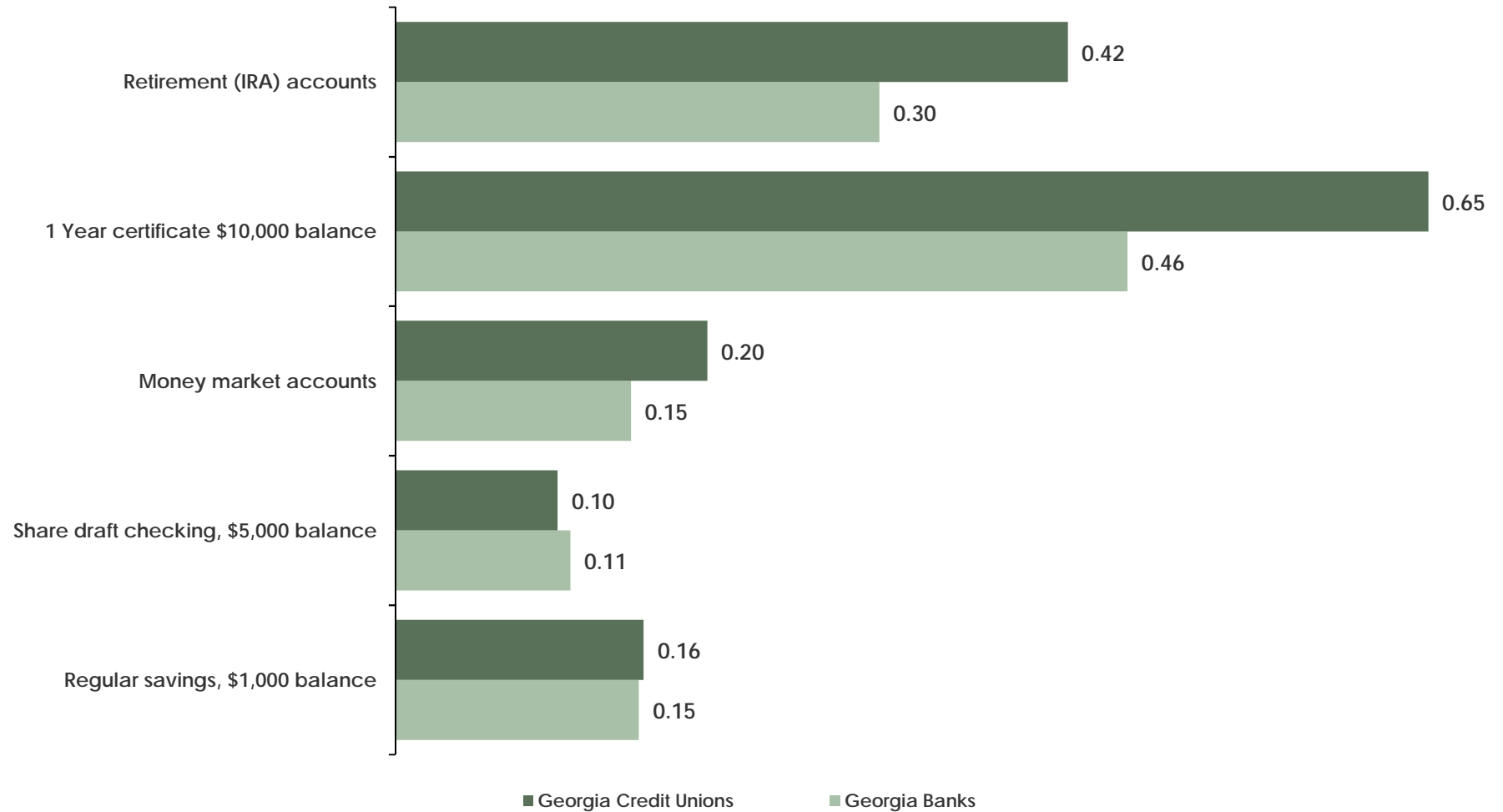
Loan Product Comparative Interest Rates (%)

by Loan Type



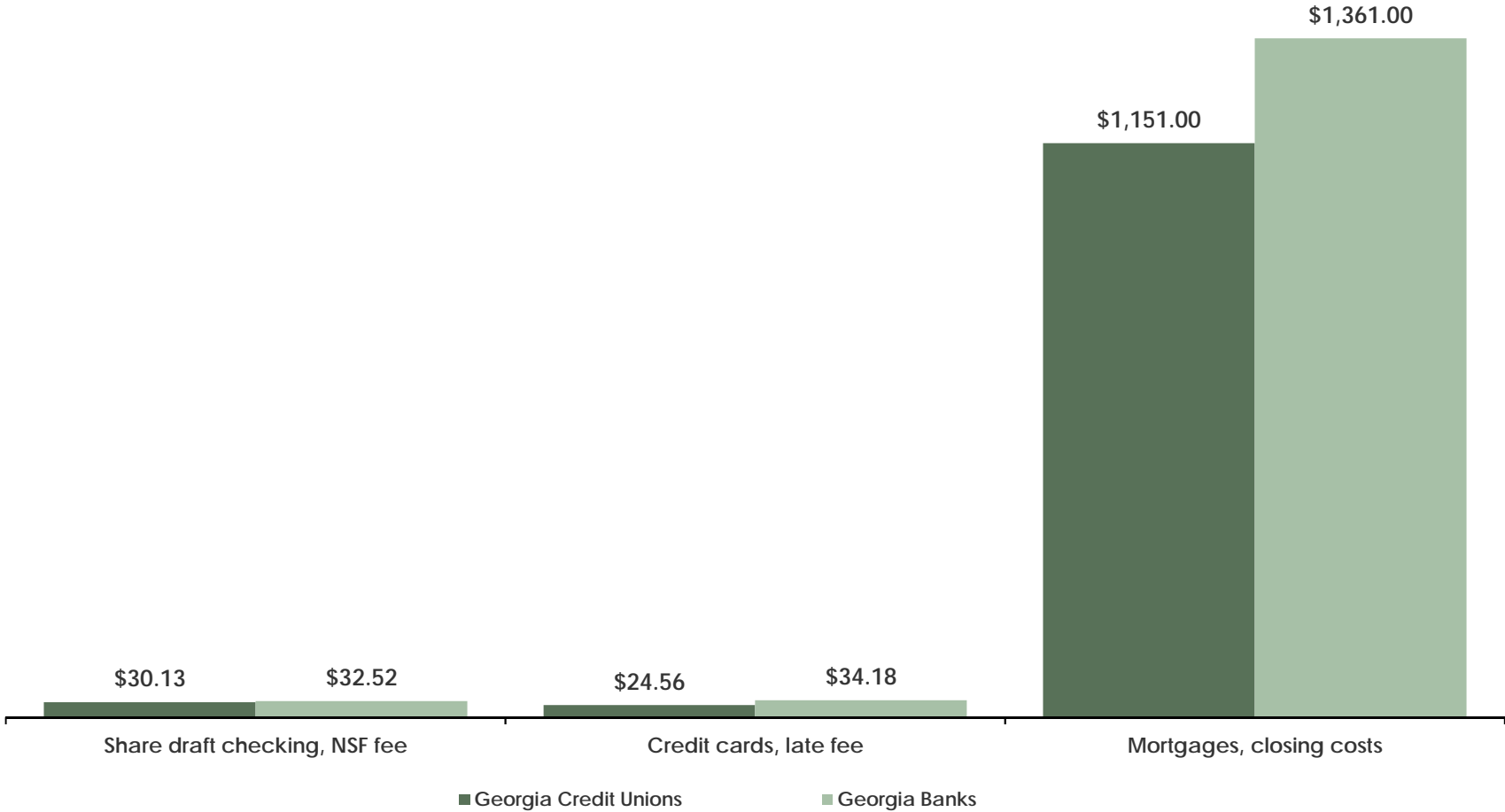
Savings Product Comparative Interest Rates (%)

by Savings Account Type



Comparative Fees

by Type



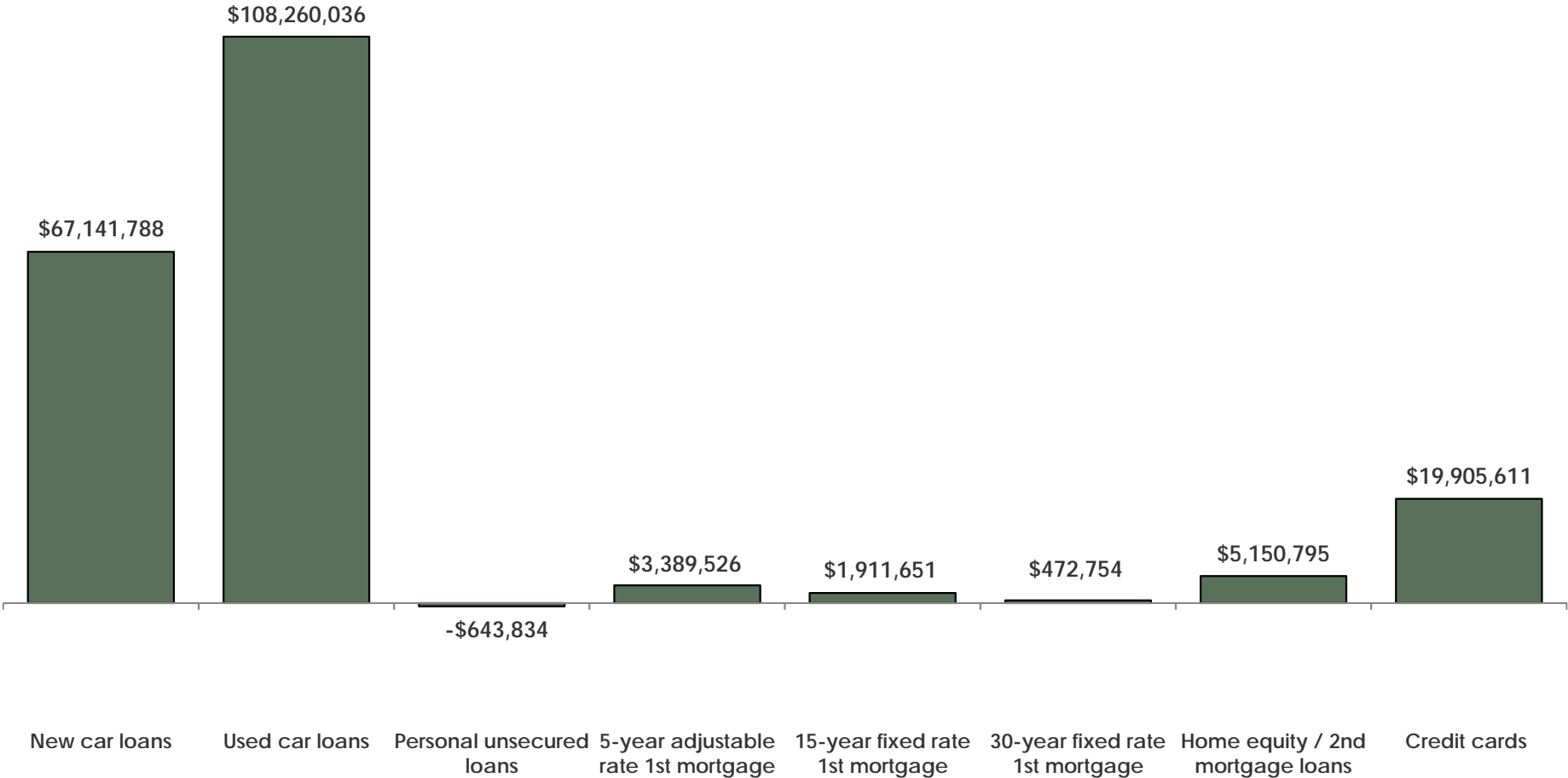
Georgia Credit Union and Banking Institution September 2017 Average Interest Rates and Fees

Loan Products	Average Rate at Credit Unions (%)	Average Rate at Banks (%)	Rate Difference vs. Banks (%)
60-month new car (A paper)	2.52	4.72	-2.20
48-month used car (A paper)	2.58	5.13	-2.56
Unsecured loan (A paper)	8.72	8.60	0.12
5-year adjustable rate 1st mortgage, 0 pts	3.32	3.59	-0.27
15-year fixed rate 1st mortgage, 0 pts	3.53	3.66	-0.13
30-year fixed rate 1st mortgage, 0 pts	4.17	4.19	-0.02
Home equity / 2nd mtg, 80% LTV 0 pts	4.37	4.87	-0.50
Credit card - rewards	10.17	13.00	-2.83
Credit card - platinum	9.31	11.78	-2.47
Savings Products			
Regular savings, \$1,000 balance	0.16	0.15	0.00
Share draft checking, \$5,000 balance	0.10	0.11	-0.01
Money market accounts	0.20	0.15	0.05
1 Year certificate \$10,000 balance	0.65	0.46	0.19
Retirement (IRA) accounts	0.42	0.30	0.12
Fee Income			
Share draft checking, NSF fee	\$30.13	\$32.52	-\$2.38
Credit cards, late fee	\$24.56	\$34.18	-\$9.62
Mortgages, closing costs	\$1,151.00	\$1,361.00	-\$210.00

Source: Datatrac

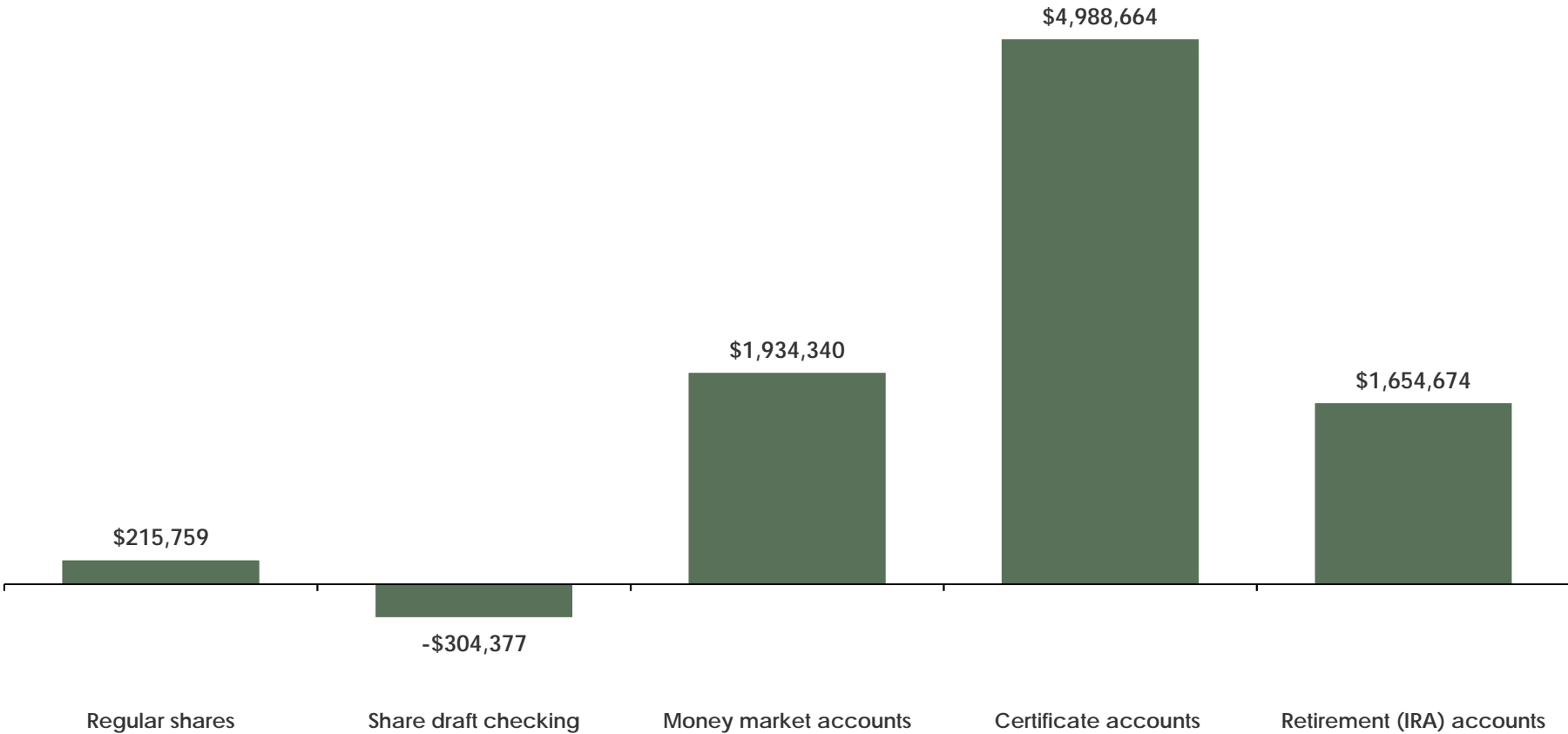
State Credit Union's Total Loan Rate Benefits

Compared to State Banking Institutions
by Loan Type



State Credit Union's Total Savings Dividend Benefits

Compared to State Banking Institutions
by Account Type



Estimated Financial Benefits for Georgia Credit Unions September 2017

Loans	Avg. Balance at Credit Unions (1)	Rate Difference vs. Georgia Banks (%) (2)	Total Financial Benefit to Your Members
New car loans	3,046,360,635	-2.20	\$67,141,788
Used car loans	4,233,869,223	-2.56	\$108,260,036
Personal unsecured loans	545,622,125	0.12	-\$643,834
5-year adjustable rate 1st mortgage	1,269,485,297	-0.27	\$3,389,526
15-year fixed rate 1st mortgage	1,505,236,893	-0.13	\$1,911,651
30-year fixed rate 1st mortgage	1,969,808,597	-0.02	\$472,754
Home equity / 2nd mortgage loans	1,034,296,134	-0.50	\$5,150,795
Credit cards	726,150,865	-2.83	\$19,905,611
Interest rebates			\$933
Total CU member benefits arising from lower interest rates on loan products:			\$205,589,259
Savings			
Regular shares	7,191,963,054	0.00	\$215,759
Share draft checking	3,804,713,127	-0.01	-\$304,377
Money market accounts	4,029,874,428	0.05	\$1,934,340
Certificate accounts	2,639,504,978	0.19	\$4,988,664
Retirement (IRA) accounts	1,396,349,213	0.12	\$1,654,674
Bonus dividends in period			\$0
Total CU member benefit arising from higher interest rates on savings products:			\$8,489,060
Fee Income			
Total CU member benefit arising from fewer / lower fees:			\$24,553,296
Total CU member benefit arising from interest rates on loans, savings products and lower fees:			\$238,631,615
Total CU member benefit / member:			\$114
Total CU member benefit / member household:			\$216

Source: Datatrac, NCUA, and CUNA

(1) Average balance as of September 2017 and September 2016, according to the NCUA call report.; (2) Source for rates and fees: Datatrac;

Membership Benefits Report

CUNA Economics and Statistics

Georgia Credit Union Performance Profile

Demographic Information	Sep 17	Sep 16
Number of branches	405	411
Total assets (\$ mil)	22,950	21,869
Total loans (\$ mil)	15,810	14,282
Total surplus funds (\$ mil)	6,127	6,626
Total savings (\$ mil)	19,656	18,860
Total members (thousands)	2,119	2,116
Growth Rates (Trailing 12 months) *		
Total assets	5.8 %	8.9 %
Total loans	11.6 %	11.9 %
Total surplus funds	-7.0 %	2.6 %
Total savings	5.1 %	8.5 %
Total members	1.8 %	4.0 %
Earnings - Basis Pts. *		
Yield on total assets	327	319
Dividend / interest cost of assets	35	34
Fee & other income	153	154
Operating expense	326	327
Loss Provisions	42	34
Net Income (ROA) after stabilization exp	77	77
Capital Adequacy		
Net worth / assets	12.2	12.1
Asset Quality *		
Delinquencies / loans	0.5	0.5
Net chargeoffs / average loans	0.5	0.5
Total borrower-bankruptcies	25	26
Bankruptcies per 1000 members	1.3	1.4
Asset/Liability Management		
Loans / savings	80.4	75.7
Loans / assets	68.9	65.3
Long-term assets / assets	27.9	28.0
Core deposits/shares & borrowings	58.0	56.7
Productivity		
Members / potential members	7.0	7.7
Borrowers / members	69.1	68.8
Members / FTE	421	429
Average shares / members (\$)	9,278	8,914
Average loan balances (\$)	10,792	9,808
Salary & Benefits / FTE	73,077	70,646

* 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.