

CUNA Delaware
**MEMBERSHIP BENEFITS
REPORT**

Delaware

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 Delaware credit unions provided \$16,309,888 in direct financial benefits to the state's 246,318 members during the twelve months ending December 2018.

These benefits are equivalent to \$66 per member or \$139 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 Delaware 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 Delaware credit unions.

Consider this:

Financing a \$25,000 new automobile for 60 months at a Delaware credit union will save members an average \$87 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.

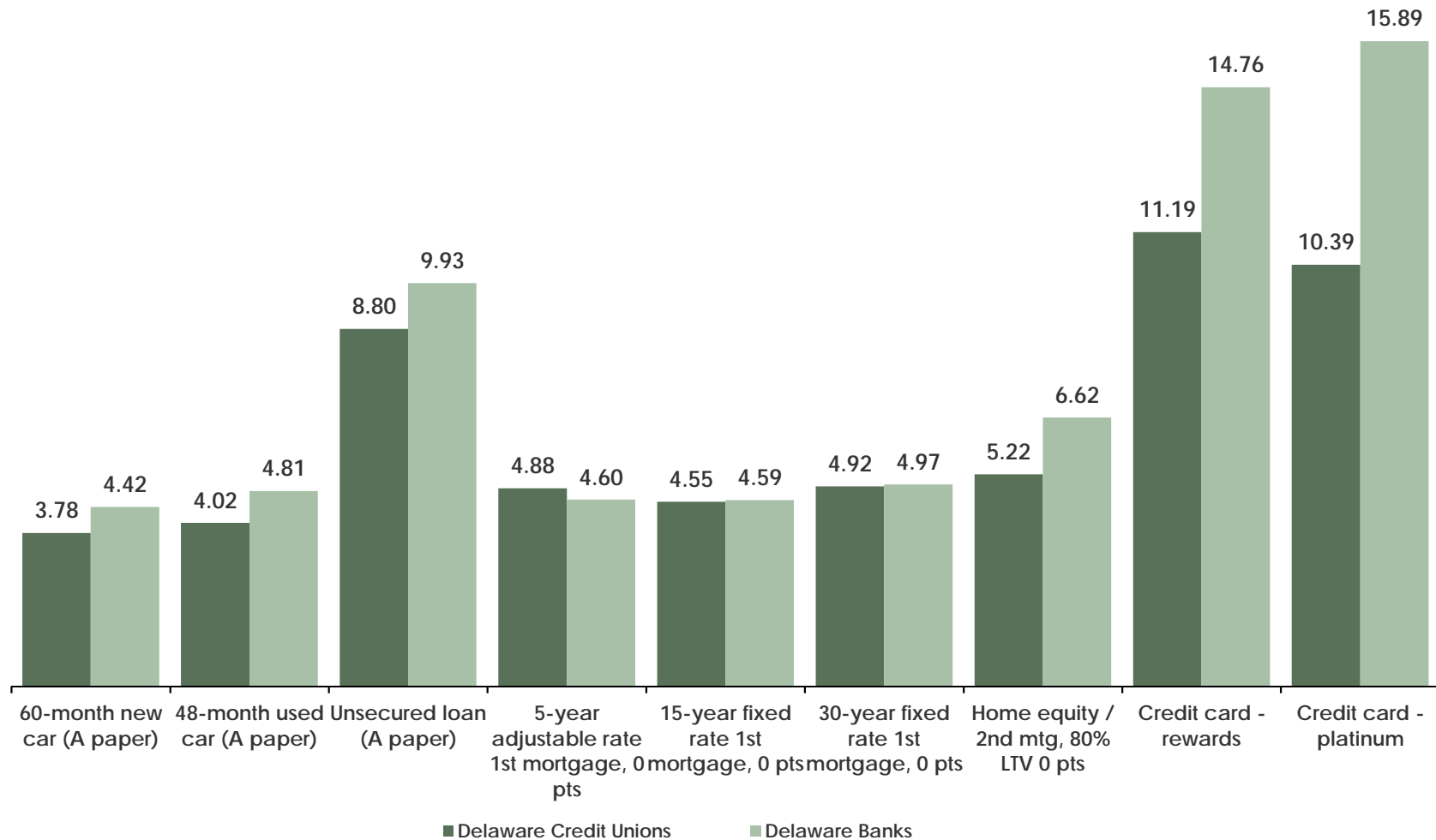
Delaware credit unions excel in providing member benefits on many loan and savings products. In particular, Delaware credit unions offer lower average loan rates on the following accounts: new car loans, used car loans, personal unsecured loans, first mortgage-fixed rate, home equity loans, credit cards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

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



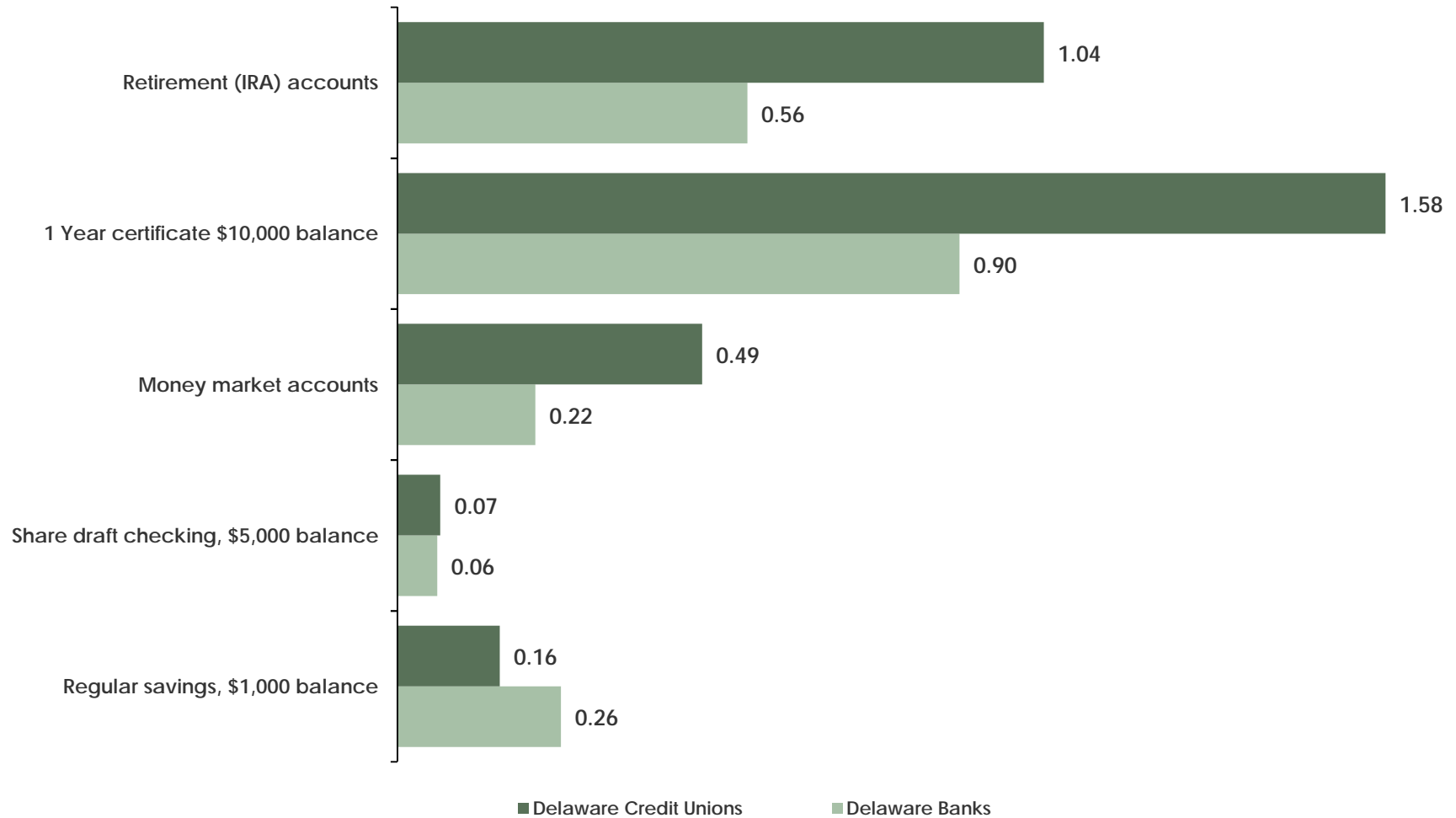
Loan Product Comparative Interest Rates (%)

by Loan Type



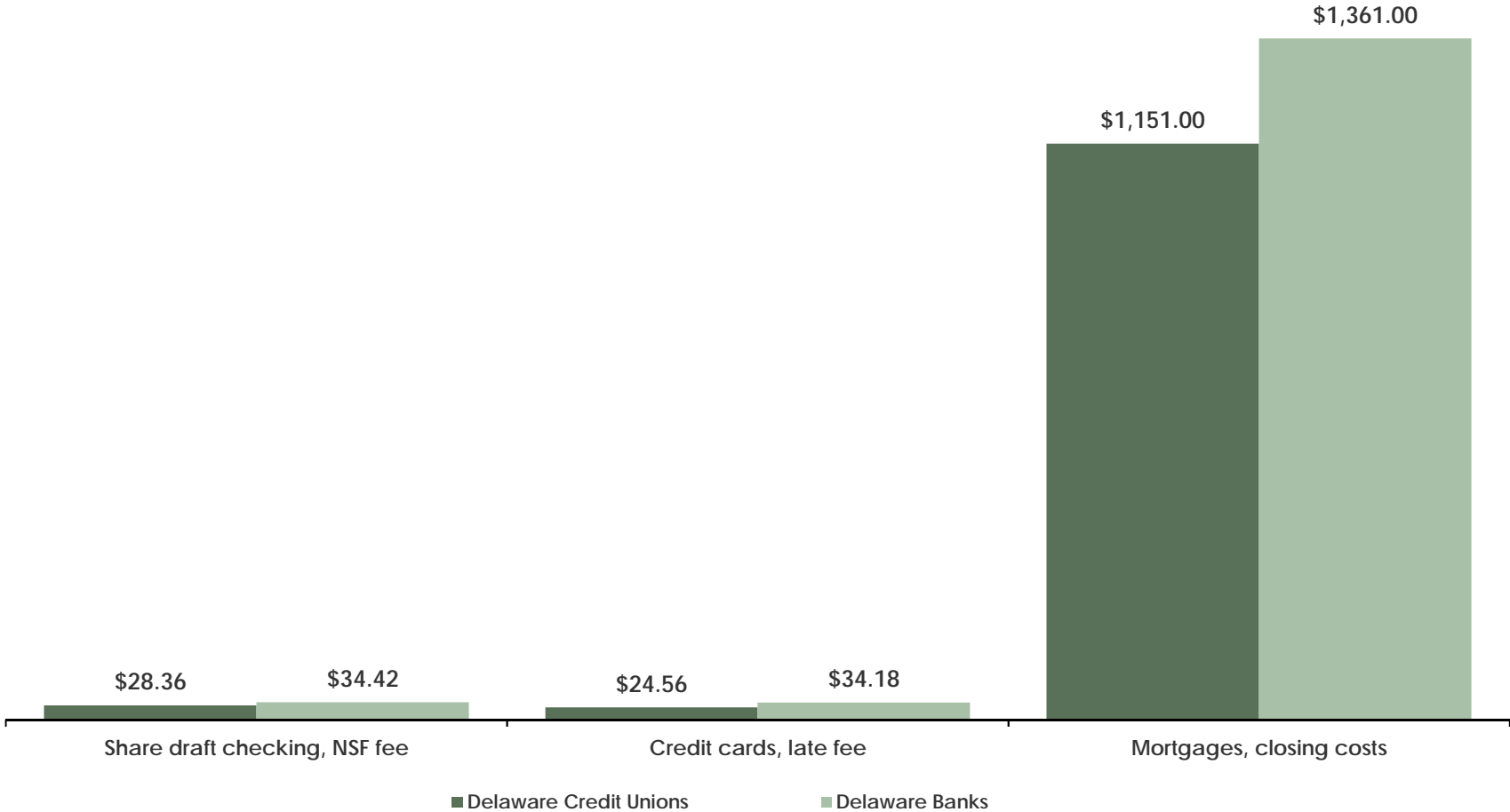
Savings Product Comparative Interest Rates (%)

by Savings Account Type



Comparative Fees

by Type



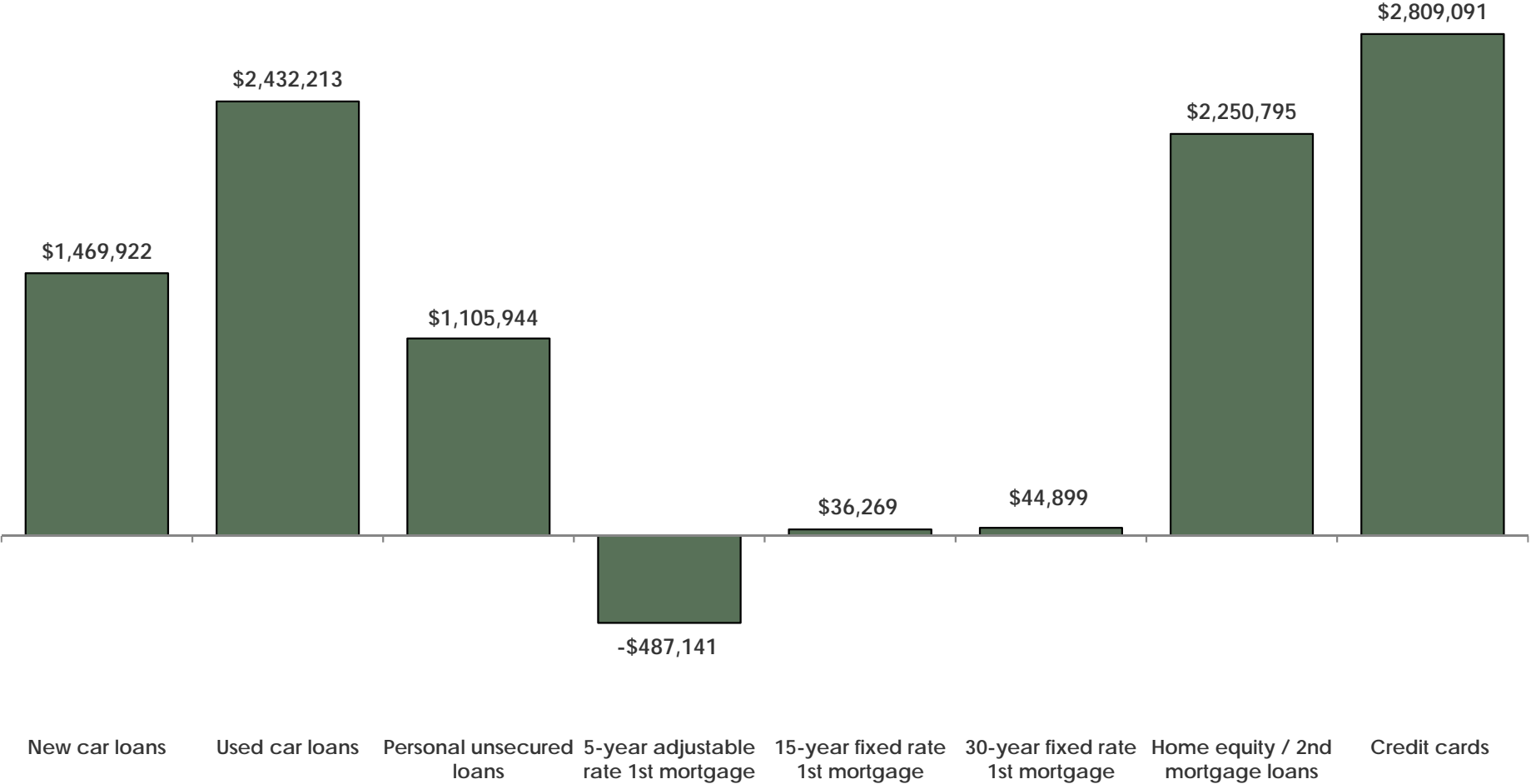
Delaware Credit Union and Banking Institution December 2018 Average Interest Rates and Fees

Loan Products	Average Rate at Credit Unions (%)	Average Rate at Banks (%)	Rate Difference vs. Banks (%)
60-month new car (A paper)	3.78	4.42	-0.64
48-month used car (A paper)	4.02	4.81	-0.79
Unsecured loan (A paper)	8.80	9.93	-1.13
5-year adjustable rate 1st mortgage, 0 pts	4.88	4.60	0.28
15-year fixed rate 1st mortgage, 0 pts	4.55	4.59	-0.04
30-year fixed rate 1st mortgage, 0 pts	4.92	4.97	-0.04
Home equity / 2nd mtg, 80% LTV 0 pts	5.22	6.62	-1.40
Credit card - rewards	11.19	14.76	-3.57
Credit card - platinum	10.39	15.89	-5.51
Savings Products			
Regular savings, \$1,000 balance	0.16	0.26	-0.10
Share draft checking, \$5,000 balance	0.07	0.06	0.01
Money market accounts	0.49	0.22	0.27
1 Year certificate \$10,000 balance	1.58	0.90	0.68
Retirement (IRA) accounts	1.04	0.56	0.47
Fee Income			
Share draft checking, NSF fee	\$28.36	\$34.42	-\$6.06
Credit cards, late fee	\$24.56	\$34.18	-\$9.62
Mortgages, closing costs	\$1,151.00	\$1,361.00	-\$210.00

Source: Datatrac

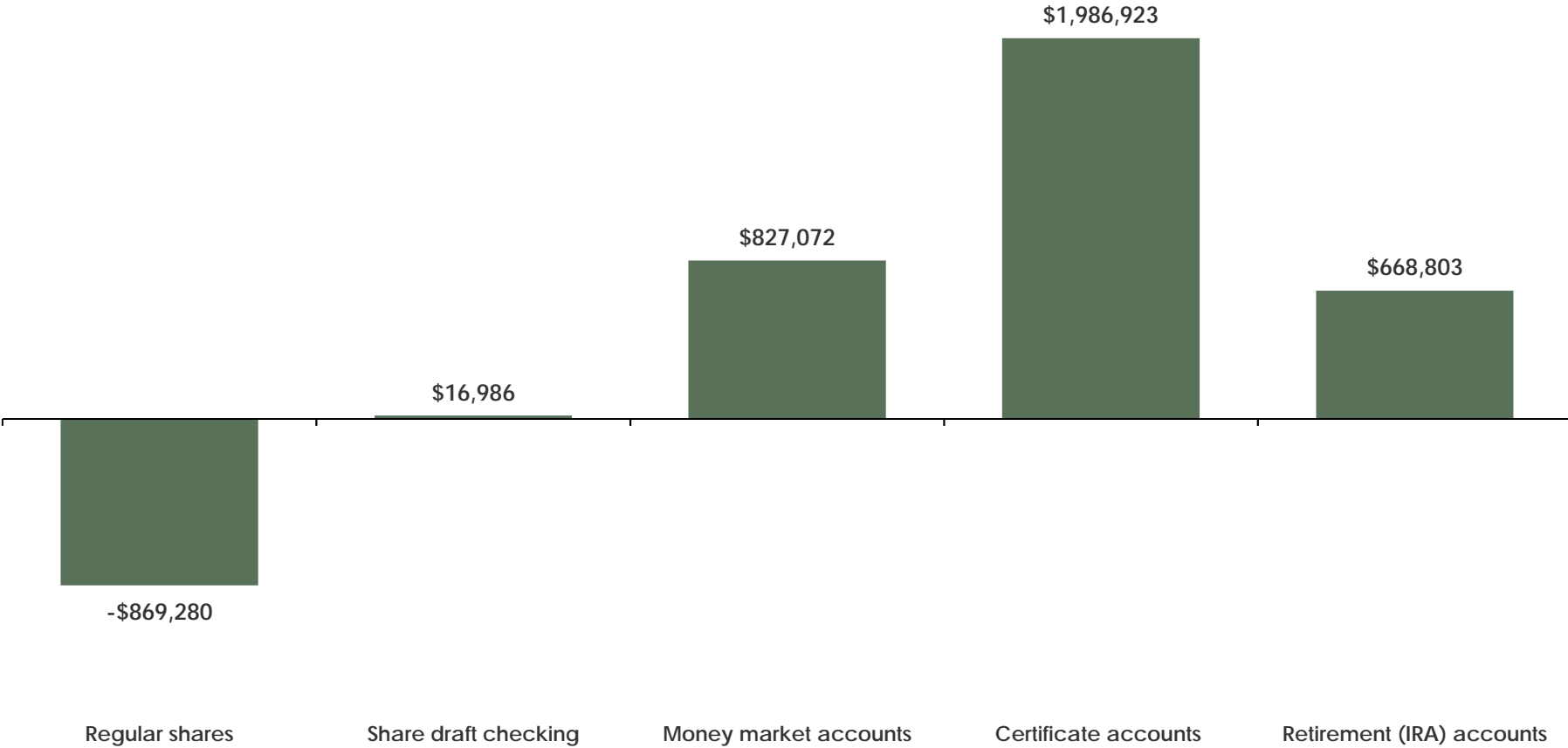
State Credit Union's Total Loan Rate Benefits

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 Delaware Credit Unions December 2018

Loans	Avg. Balance at Credit Unions (1)	Rate Difference vs. Delaware Banks (%) (2)	Total Financial Benefit to Your Members
New car loans	230,395,231	-0.64	\$1,469,922
Used car loans	308,265,322	-0.79	\$2,432,213
Personal unsecured loans	98,044,725	-1.13	\$1,105,944
5-year adjustable rate 1st mortgage	175,863,228	0.28	-\$487,141
15-year fixed rate 1st mortgage	86,353,843	-0.04	\$36,269
30-year fixed rate 1st mortgage	102,043,301	-0.04	\$44,899
Home equity / 2nd mortgage loans	160,886,009	-1.40	\$2,250,795
Credit cards	69,334,583	-3.57	\$2,809,091
Interest rebates			\$0
Total CU member benefits arising from lower interest rates on loan products:			\$9,661,992
Savings			
Regular shares	887,020,465	-0.10	-\$869,280
Share draft checking	339,715,853	0.01	\$16,986
Money market accounts	309,764,721	0.27	\$827,072
Certificate accounts	291,337,610	0.68	\$1,986,923
Retirement (IRA) accounts	140,948,935	0.47	\$668,803
Bonus dividends in period			\$0
Total CU member benefit arising from higher interest rates on savings products:			\$2,630,503
Fee Income			
Total CU member benefit arising from fewer / lower fees:			\$4,017,394
Total CU member benefit arising from interest rates on loans, savings products and lower fees:			\$16,309,888
Total CU member benefit / member:			\$66
Total CU member benefit / member household:			\$139

Source: Datatrac, NCUA, and CUNA

(1) Average balance as of December 2018 and December 2017, according to the NCUA call report.; (2) Source for rates and fees: Datatrac;

Membership Benefits Report

CUNA Economics and Statistics

Delaware Credit Union Performance Profile

Demographic Information	Dec 18	Dec 17
Number of branches	66	69
Total assets (\$ mil)	2,254	2,247
Total loans (\$ mil)	1,307	1,257
Total surplus funds (\$ mil)	820	876
Total savings (\$ mil)	1,994	1,984
Total members (thousands)	246	248
Growth Rates (Trailing 12 months) *		
Total assets	0.5 %	2.3 %
Total loans	4.1 %	4.3 %
Total surplus funds	-6.2 %	-1.0 %
Total savings	0.7 %	2.3 %
Total members	-0.4 %	3.3 %
Earnings - Basis Pts. *		
Yield on total assets	369	359
Dividend / interest cost of assets	44	39
Fee & other income	149	132
Operating expense	375	367
Loss Provisions	43	46
Net Income (ROA) after stabilization exp	56	40
Capital Adequacy		
Net worth / assets	11.2	10.7
Asset Quality *		
Delinquencies / loans	1.2	1.3
Net chargeoffs / average loans	0.9	0.9
Total borrower-bankruptcies	17	21
Bankruptcies per 1000 members	1.2	1.5
Asset/Liability Management		
Loans / savings	65.5	63.4
Loans / assets	58.0	55.9
Long-term assets / assets	33.2	32.7
Core deposits/shares & borrowings	62.0	61.5
Productivity		
Members / potential members	6.7	6.4
Borrowers / members	43.4	43.8
Members / FTE	428	427
Average shares / members (\$)	8,110	8,008
Average loan balances (\$)	12,252	11,573
Salary & Benefits / FTE	65,907	61,189

* 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.