

CUNA U.S. Eagle FCU

MEMBERSHIP BENEFITS REPORT

U.S. Eagle FCU

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 U.S. Eagle FCU provided \$15,602,946 in direct financial benefits to its 83,160 members during the twelve months ending June 2017 ⁽¹⁾.

These benefits are equivalent to \$188 per member or \$356 per member household ⁽²⁾.

The per-member and per-household member benefits delivered by U.S. Eagle FCU 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 U.S. Eagle FCU will save members an average \$338 per year in interest expense compared to what they would pay at a banking institution in the state. That's approximately \$1,690 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 U.S. Eagle FCU provided loyal high-use member households \$1110 in direct financial benefits during the twelve month period.

U.S. Eagle FCU excels in providing member benefits in many loan and savings products. In particular, U.S. Eagle FCU offers lower loan rates on the following accounts: new car loans, used car loans, home equity loans, credit cards loans.

U.S. Eagle FCU also pays its members higher dividends on the following accounts: regular savings, share draft checking, money market accounts, certificate accounts, IRAs.



Source: Datatrac, NCUA, and CUNA.

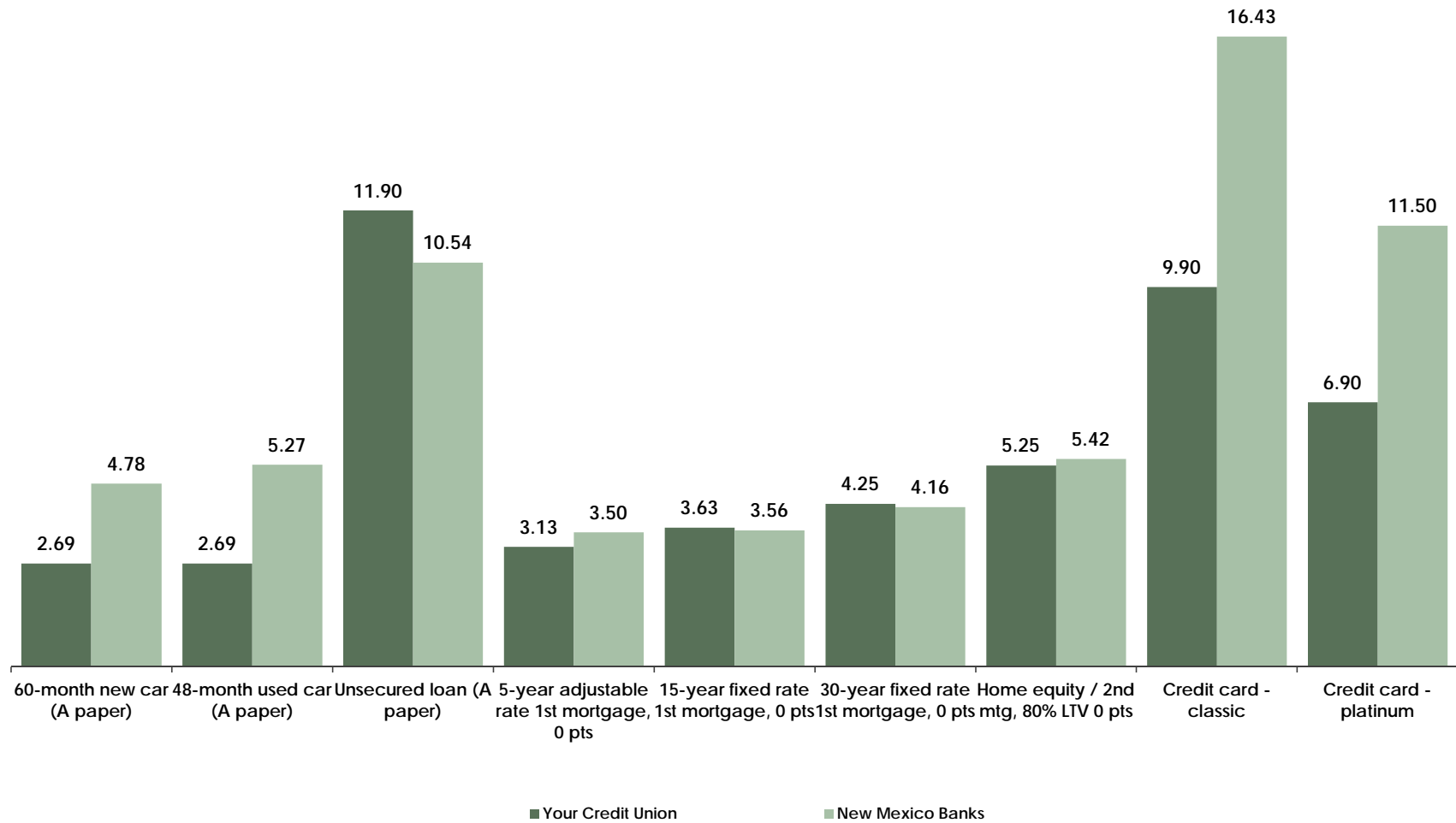
(1) Rates and fees as of 8/7/2017.

(2) Assumes 1.9 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 \$5,000 in a money market account.

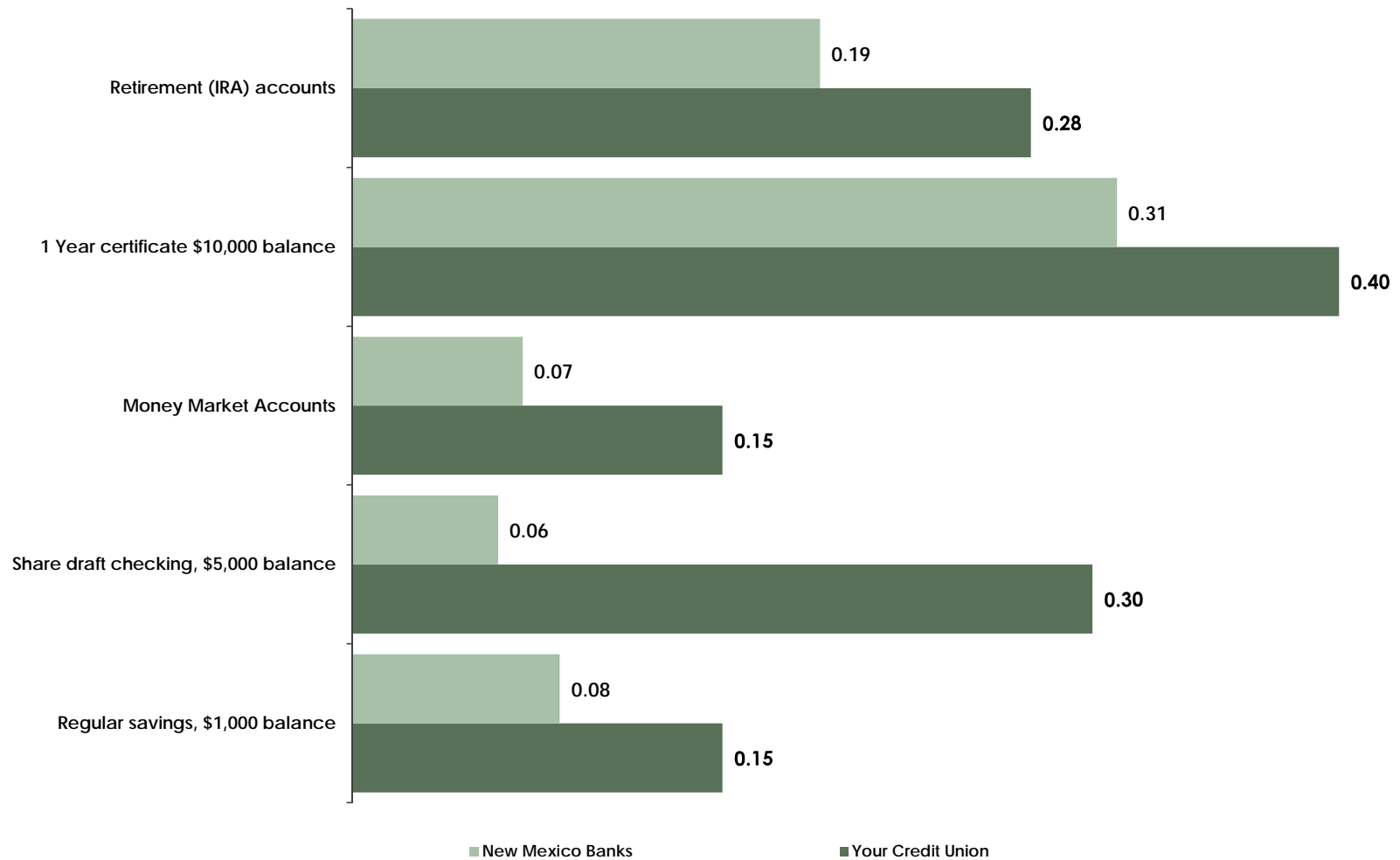
Loan Product Comparative Interest Rates (%)

by Loan Type



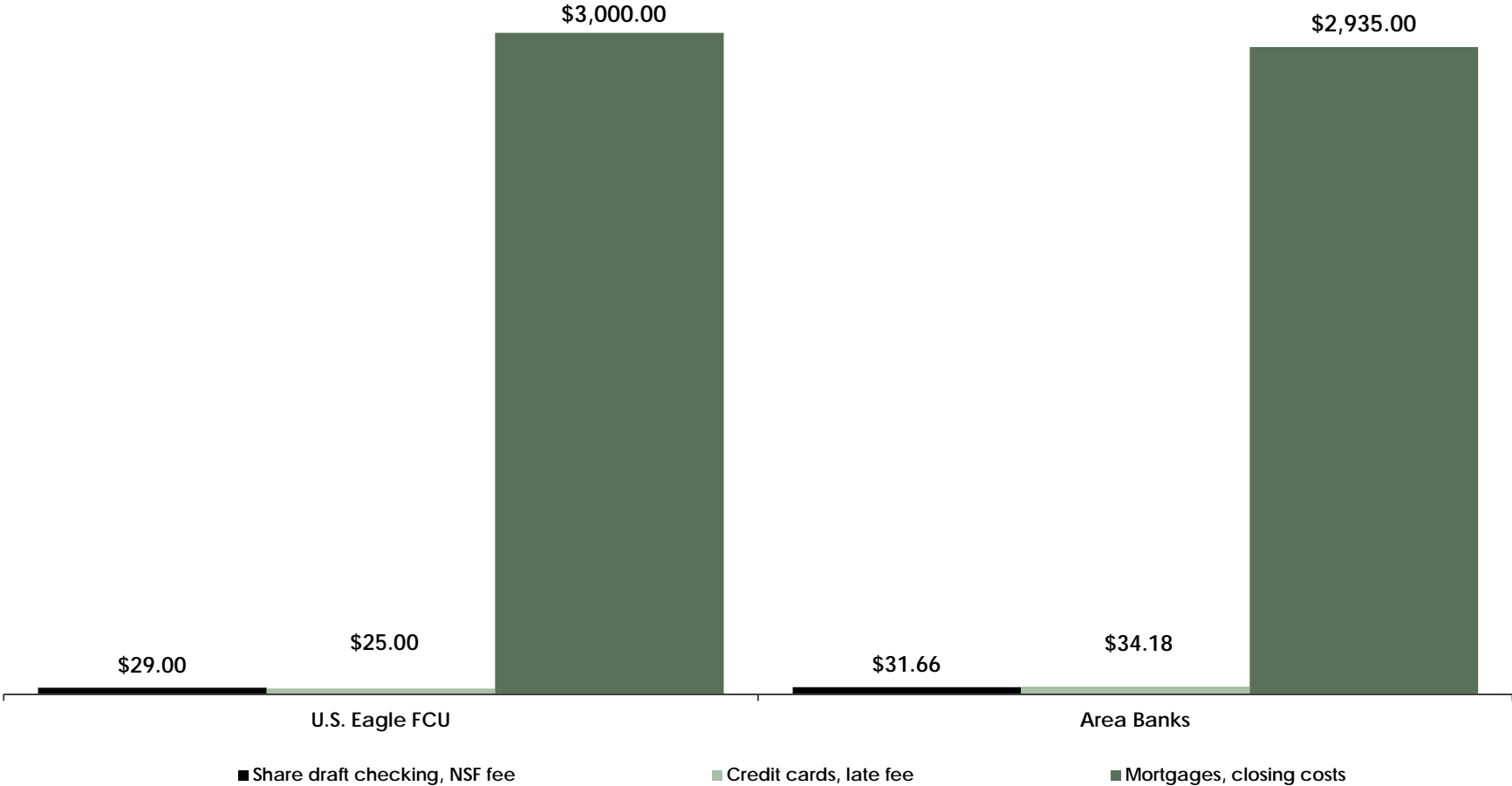
Savings Product Comparative Interest Rates (%)

by Savings Account Type



Comparative Fees

by Type



Interest Rates at U.S. Eagle FCU and Banking Institutions in New Mexico

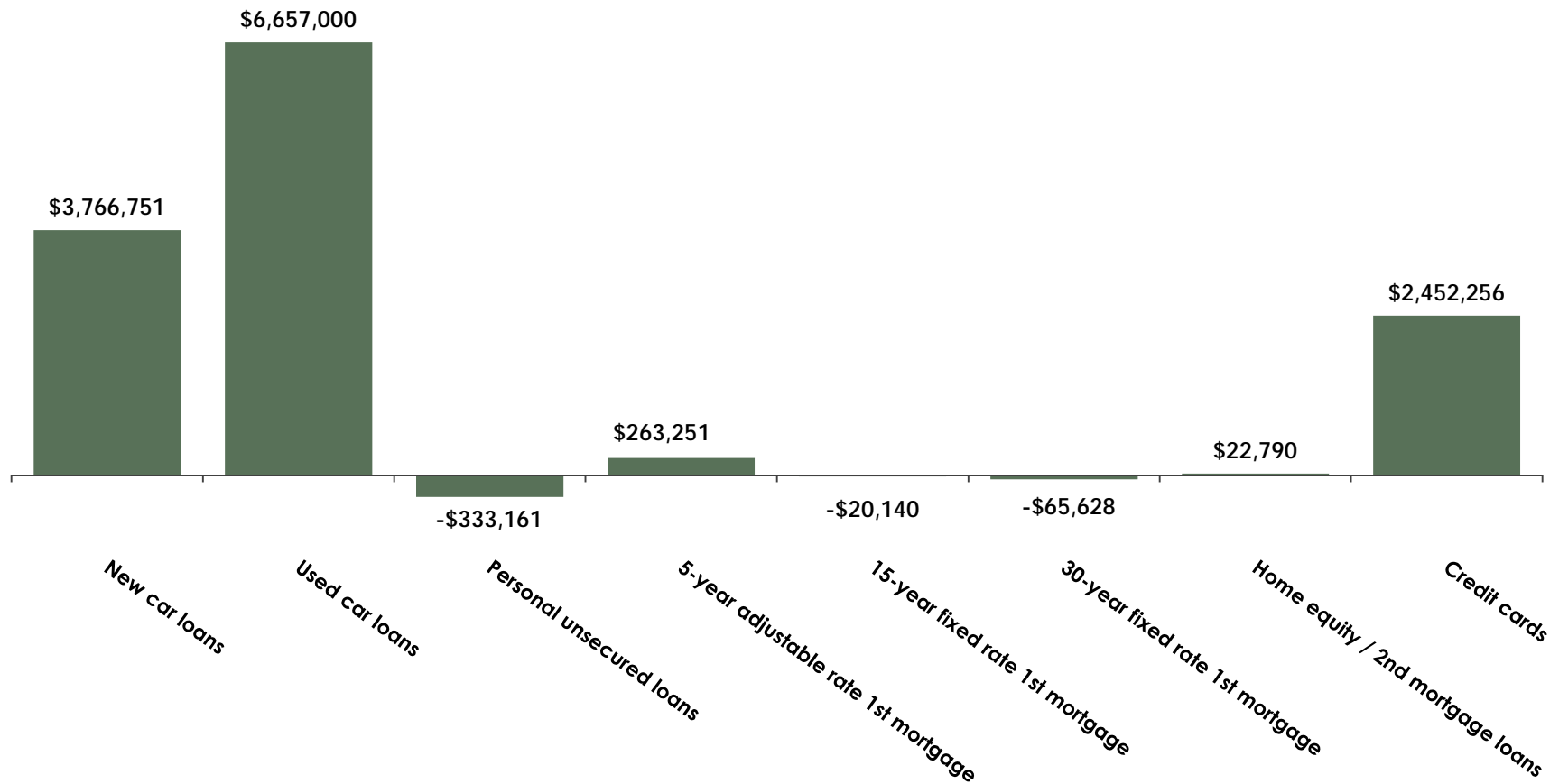
Loan Products	Rate at your Credit Union (%) *	Average Rate at Banks (%) *	Rate Difference vs. Banks (%)
60-month new car (A paper)	2.69	4.78	-2.09
48-month used car (A paper)	2.69	5.27	-2.58
Unsecured loan (A paper)	11.90	10.54	1.36
5-year adjustable rate 1st mortgage, 0 pts	3.13	3.50	-0.38
15-year fixed rate 1st mortgage, 0 pts	3.63	3.56	0.07
30-year fixed rate 1st mortgage, 0 pts	4.25	4.16	0.09
Home equity / 2nd mtg, 80% LTV 0 pts	5.25	5.42	-0.17
Credit card - classic	9.90	16.43	-6.53
Credit card - platinum	6.90	11.50	-4.60
Savings Products			
Regular savings, \$1,000 balance	0.15	0.08	0.07
Share draft checking, \$5,000 balance	0.30	0.06	0.24
Money Market Accounts	0.15	0.07	0.08
1 Year certificate \$10,000 balance	0.40	0.31	0.09
Retirement (IRA) accounts	0.28	0.19	0.09
Fee Income			
Share draft checking, NSF fee	\$29.00	\$31.66	-\$2.66
Credit cards, late fee	\$25.00	\$34.18	-\$9.18
Mortgages, closing costs	\$3,000.00	\$2,935.00	\$65.00

*Rates and fees as of 8/7/2017. Credit union rates provided by individual credit union, bank rates provided by Datatrac.

Your Credit Union's Total Loan Rate Benefits

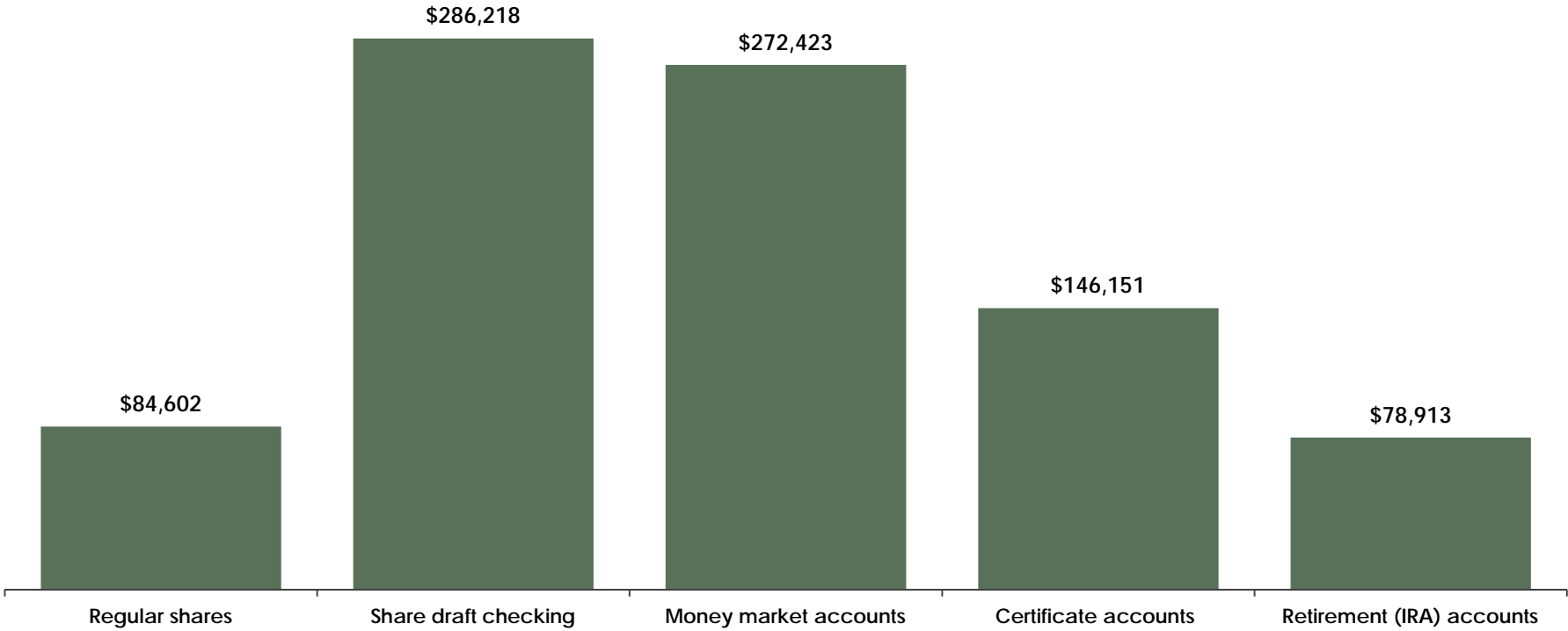
Compared to Banking Institutions in Your State

by Loan Type

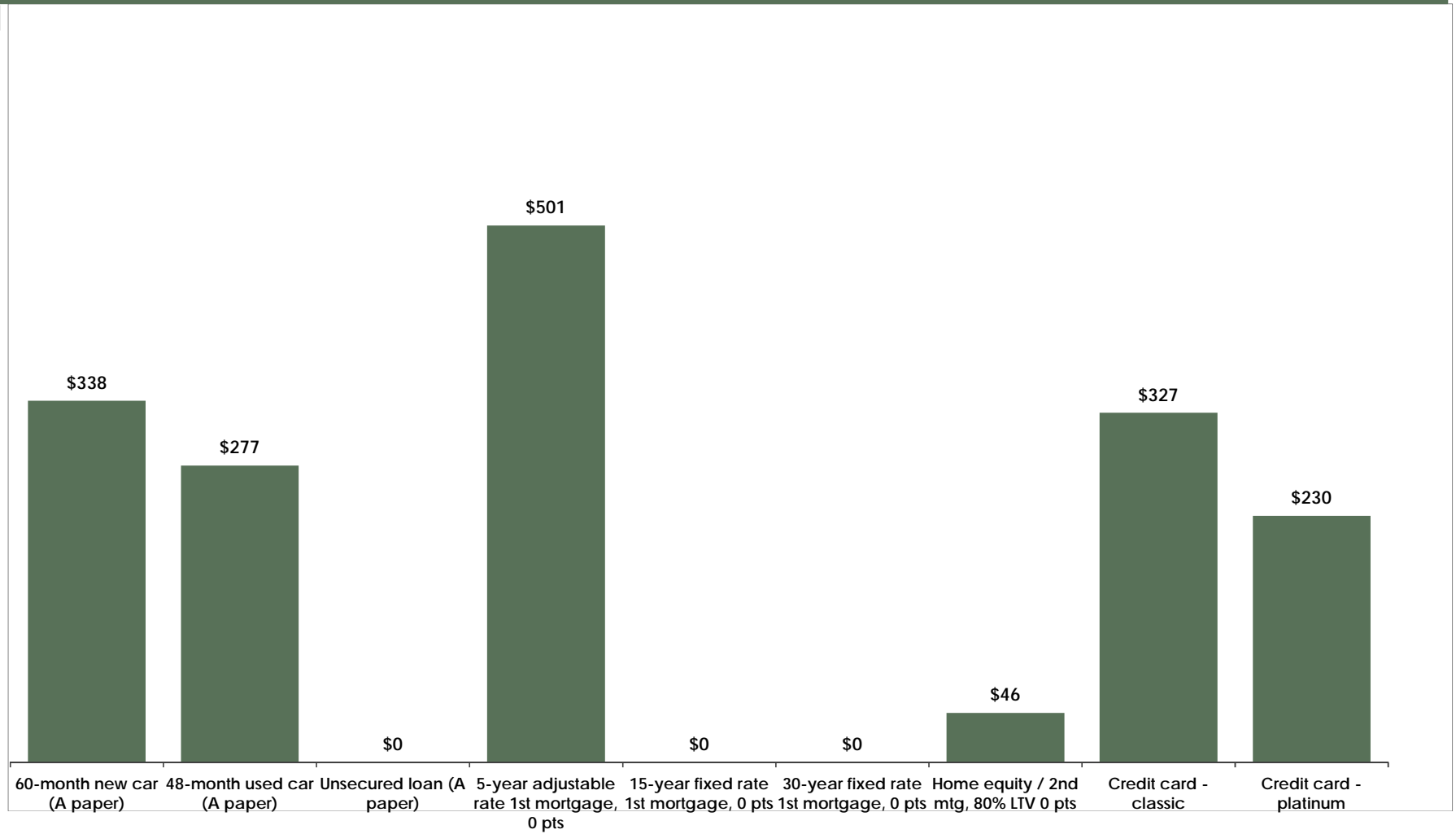


Your Credit Union's Total Savings Dividend Benefits

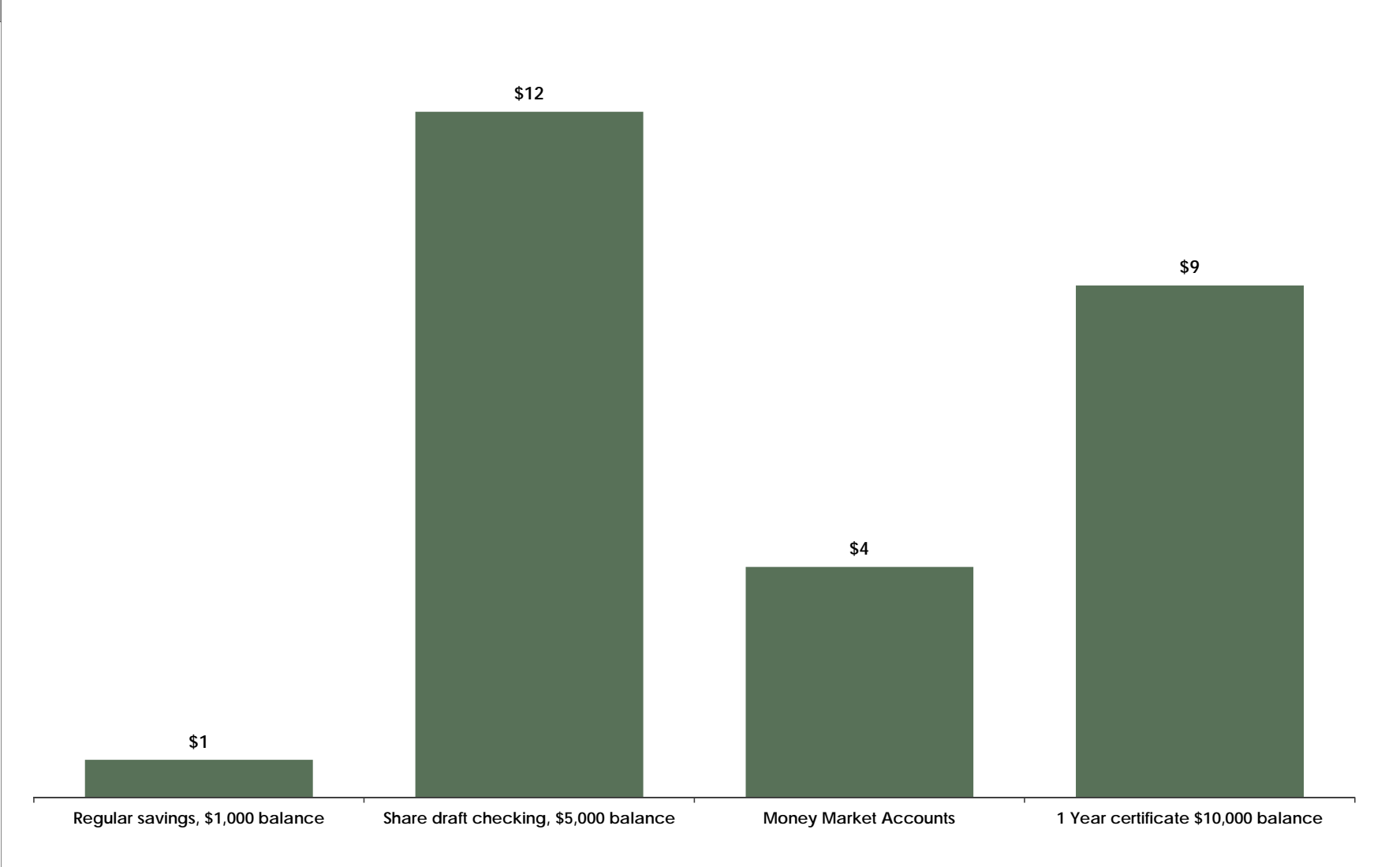
Compared to Banking Institutions in Your State
by Account Type



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: \$5,000 balance; 1-Yr Certificates: \$10,000

Estimated Financial Benefits for U.S. Eagle FCU

Loans	Avg. Balance at Your Credit Union (1)	Rate Difference vs. New Mexico Banks (%) (2)	Financial Benefit to Your Members
New car loans	180,572,930	-2.09	\$3,766,751
Used car loans	258,123,293	-2.58	\$6,657,000
Personal unsecured loans	24,479,116	1.36	-\$333,161
5-year adjustable rate 1st mortgage	69,459,372	-0.38	\$263,251
15-year fixed rate 1st mortgage	30,059,066	0.07	-\$20,140
30-year fixed rate 1st mortgage	74,577,322	0.09	-\$65,628
Home equity / 2nd mortgage loans	13,729,184	-0.17	\$22,790
Credit cards	40,549,911	-6.53	\$2,452,256
Interest rebates			\$0
Total CU member benefits arising from lower interest rates on loan products:			\$12,743,120
Savings			
Regular shares	128,185,332	0.07	\$84,602
Share draft checking	118,762,716	0.24	\$286,218
Money market accounts	336,324,913	0.08	\$272,423
Certificate accounts	162,390,413	0.09	\$146,151
Retirement (IRA) accounts	92,295,906	0.09	\$78,913
Bonus dividends in period			\$1,500,000
Total CU member benefit arising from higher interest rates on savings products:			\$2,368,308
Fee Income			
Total CU member benefit arising from fewer/lower fees:			\$491,518
Total CU member benefit arising from interest rates on loan and savings products and lower fees:			\$15,602,946
Total CU member benefit / member:			\$188
Total CU member benefit / member household:			\$356

Source: Informa Research Services, NCUA, and CUNA

(1) Average balance as of June 2017 and June 2016 according to the NCUA call report.

(2) Rates and fees as of 8/7/2017. Credit union rates provided by individual credit union, bank rates provided by Datatrac.

Certificate of Excellence

is hereby granted to:

U.S. Eagle FCU

The Credit Union National Association has determined that U.S. Eagle FCU provided \$15,602,946 in direct financial benefits to its 83,160 members during the twelve months ending in June 2017.

These benefits are equivalent to approximately \$356 per member household.

U.S. Eagle FCU provided loyal high-use member households \$1,110 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

U.S. Eagle FCU Performance Profile

Demographic Information	Jun 17	Jun 16
Number of branches	10	10
Total assets (\$ mil)	969	917
Total loans (\$ mil)	745	701
Total surplus funds (\$ mil)	190	180
Total savings (\$ mil)	862	814
Total members (thousands)	82	85
Growth Rates (Year-to-date)		
Total assets	5.6 %	8.7 %
Total loans	6.3 %	17.7 %
Total surplus funds	5.3 %	-15.9 %
Total savings	5.9 %	8.8 %
Total members	-3.3 %	5.0 %
Earnings - Basis Pts.		
Yield on total assets	376	393
- Dividend/interest cost of assets	61	63
+ Fee & other income	113	101
- Operating expense	294	302
- Loss Provisions	73	80
= Net Income (ROA)	61	48
Capital adequacy		
Net worth / assets	10.1	10.2
Asset quality		
Delinquencies / loans	0.9	1.0
Net chargeoffs / average loans	0.9	0.8
Total borrower-bankruptcies	59	36
Bankruptcies per 1000 members	0.7	0.4
Asset/Liability Management		
Loans / savings	86.4	86.1
Loans / assets	76.8	76.4
Long-term assets / assets	29.7	27.5
Core deposits/shares & borrowings	29.9	29.0
Productivity		
Members/potential members	26.8	21.1
Borrowers/members	65.1	60.2
Members/FTE	356	372
Average shares/members (\$)	10,540	9,628
Average loan balances (\$)	13,985	13,761
Salary & Benefits/FTE	69,180	65,795