

CUNA California  
**MEMBERSHIP BENEFITS  
REPORT**

## California

### 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 California credit unions provided \$1,282,635,083 in direct financial benefits to the state's 13,042,886 members during the twelve months ending September 2022.

**These benefits are equivalent to \$98 per member or \$207 per member household <sup>(1)</sup>.**

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 California 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 California credit unions.

Consider this:

**Financing a \$25,000 new automobile for 60 months at a California credit union will save members an average \$166 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.

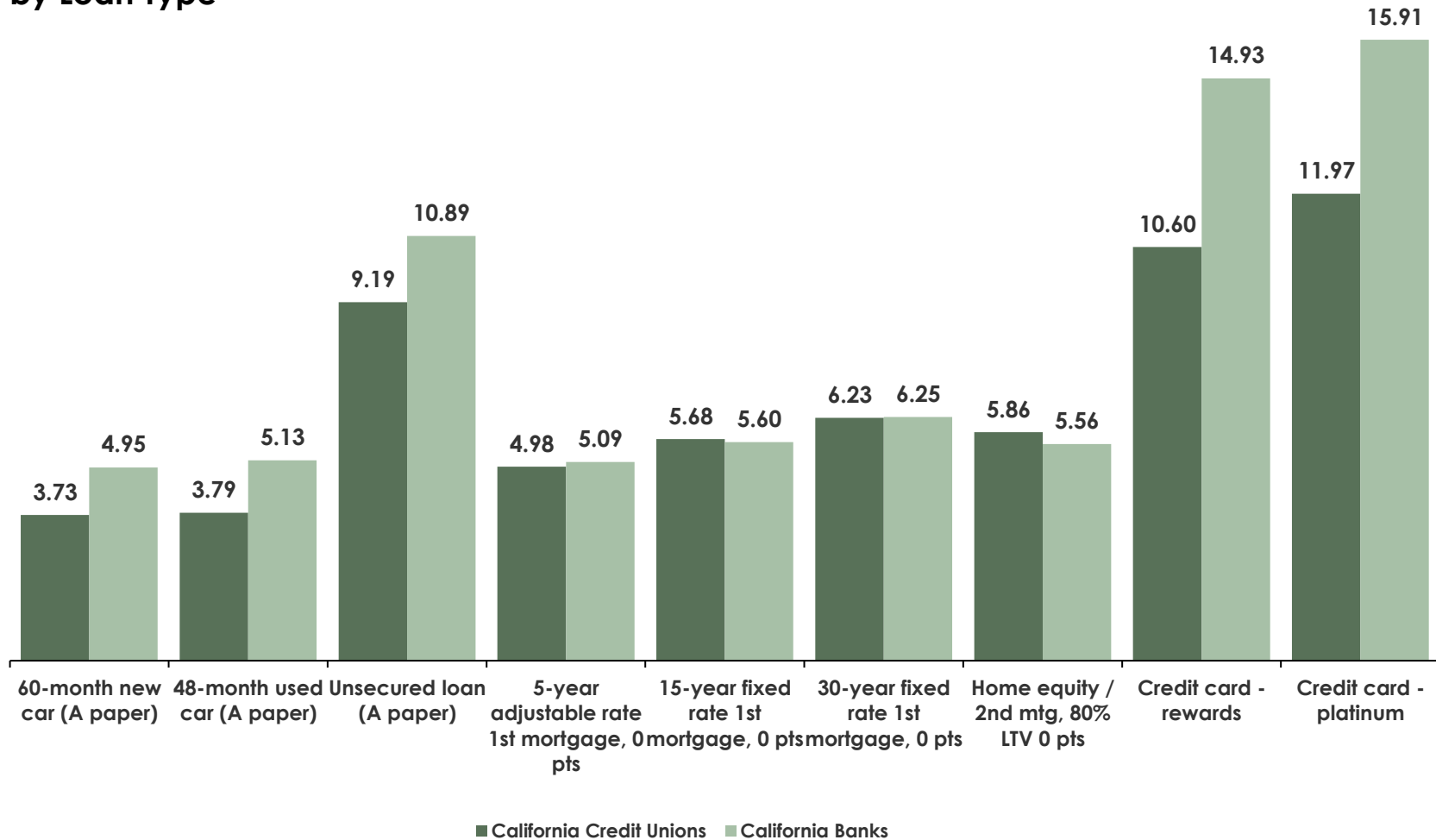
California credit unions excel in providing member benefits on many loan and savings products. In particular, California credit unions offer lower average loan rates on the following accounts: new car loans, used car loans, personal unsecured loans, first mortgage-fixed rate, first mortgage-adjustable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

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



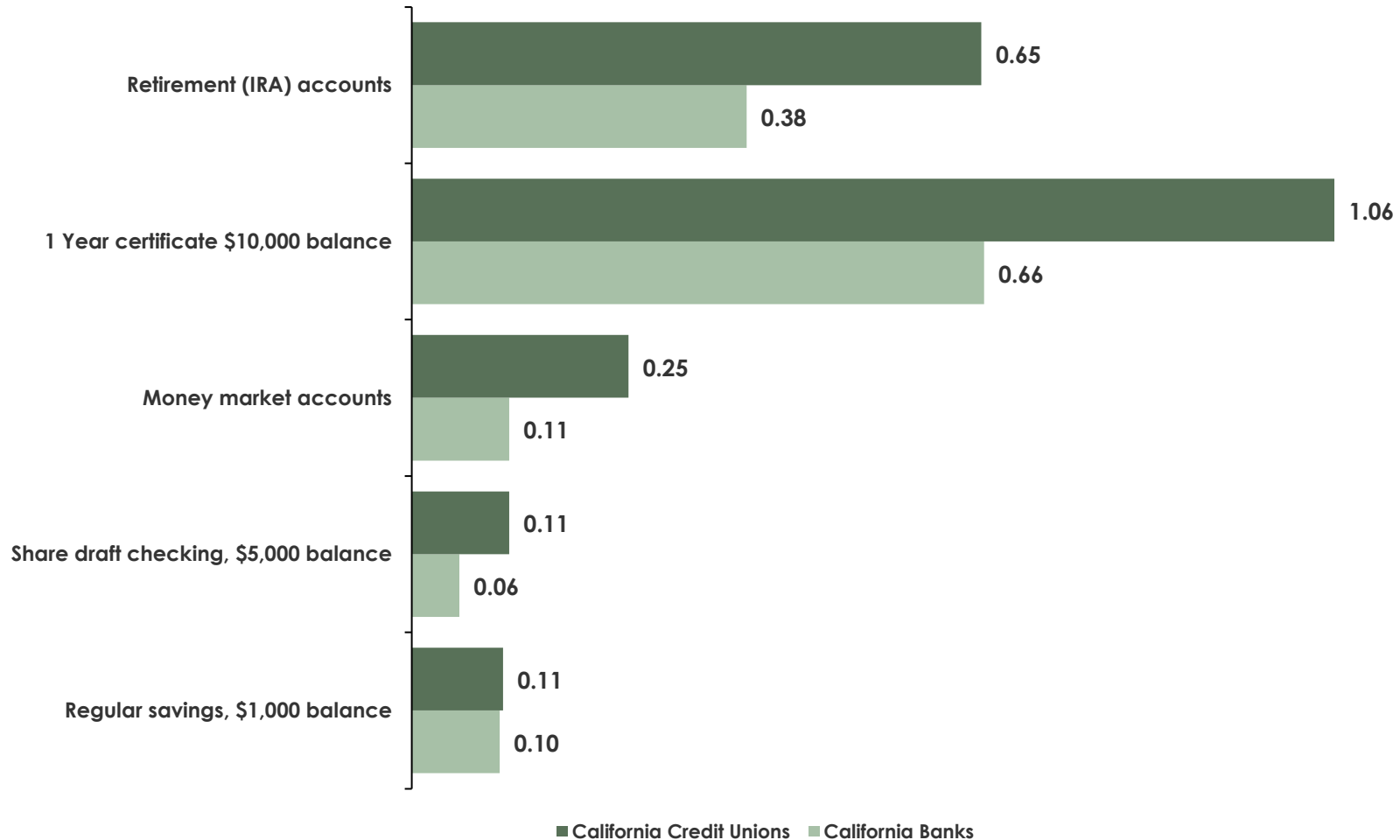
## Loan Product Comparative Interest Rates (%)

by Loan Type



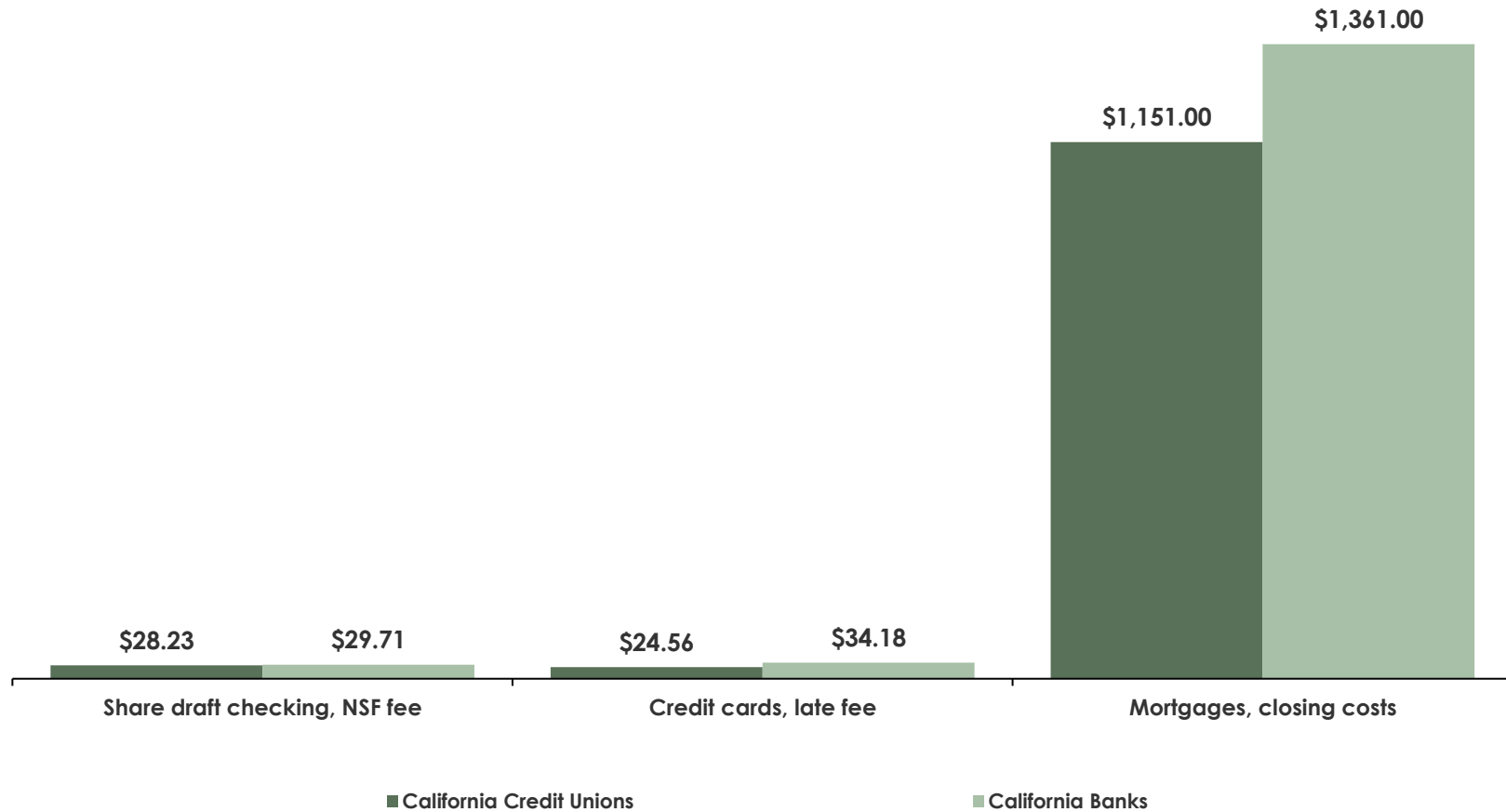
## Savings Product Comparative Interest Rates (%)

### by Savings Account Type



## Comparative Fees

by Type



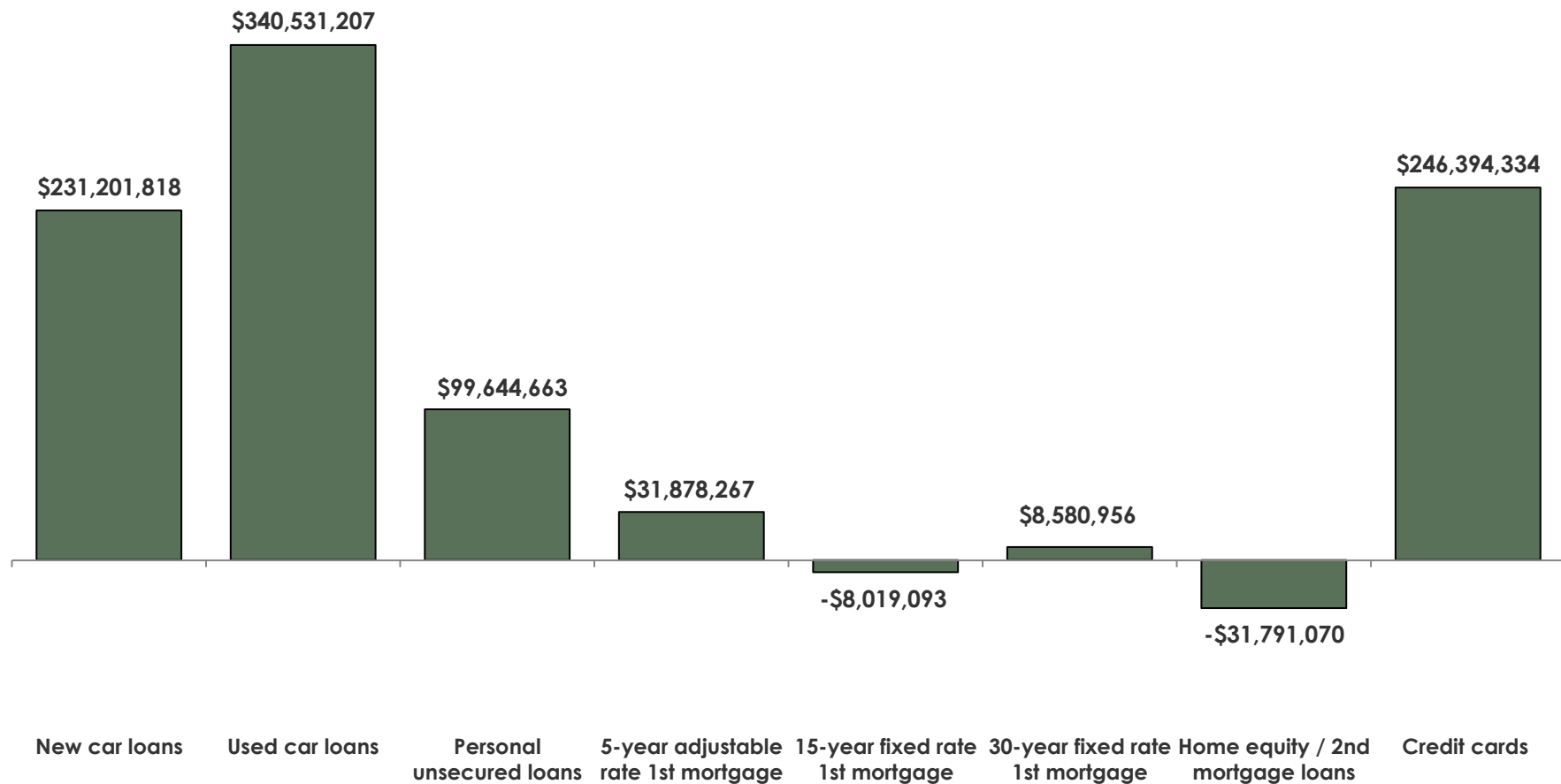
## California Credit Union and Banking Institution September 2022 Average Interest Rates and Fees

Loan Products	Average Rate at Credit Unions (%)	Average Rate at Banks (%)	Rate Difference vs. Banks (%)
60-month new car (A paper)	3.73	4.95	-1.22
48-month used car (A paper)	3.79	5.13	-1.34
Unsecured loan (A paper)	9.19	10.89	-1.70
5-year adjustable rate 1st mortgage, 0 pts	4.98	5.09	-0.12
15-year fixed rate 1st mortgage, 0 pts	5.68	5.60	0.08
30-year fixed rate 1st mortgage, 0 pts	6.23	6.25	-0.02
Home equity / 2nd mtg, 80% LTV 0 pts	5.86	5.56	0.30
Credit card - rewards	10.60	14.93	-4.32
Credit card - platinum	11.97	15.91	-3.95
Savings Products			
Regular savings, \$1,000 balance	0.11	0.10	0.00
Share draft checking, \$5,000 balance	0.11	0.06	0.06
Money market accounts	0.25	0.11	0.14
1 Year certificate \$10,000 balance	1.06	0.66	0.40
Retirement (IRA) accounts	0.65	0.38	0.27
Fee Income			
Share draft checking, NSF fee	\$28.23	\$29.71	-\$1.48
Credit cards, late fee	\$24.56	\$34.18	-\$9.62
Mortgages, closing costs	\$1,151.00	\$1,361.00	-\$210.00

Source: Datatrac

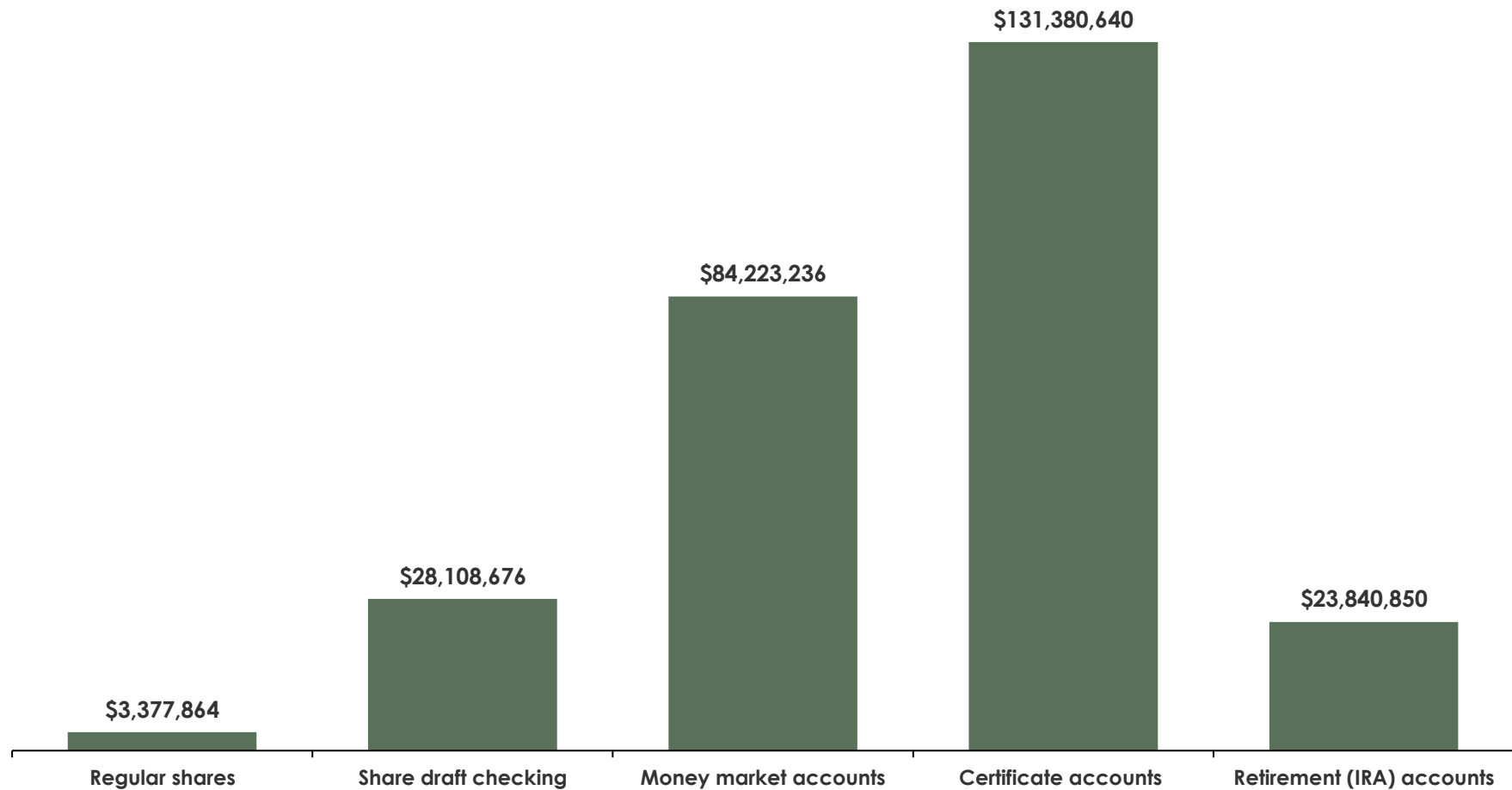
## Estimated Credit Union Loan Benefits

Compared to State Banking Institutions  
by Loan Type



## Estimated Credit Union Savings Dividend Benefits

### Compared to State Banking Institutions by Account Type





## Estimated Financial Benefits for California Credit Unions September 2022

<b>Loans</b>	<b>Avg. Balance at Credit Unions (1)</b>	<b>Rate Difference vs. California Banks (%) (2)</b>	<b>Total Financial Benefit to Your Members</b>
New car loans	18,966,514,981	-1.22	\$231,201,818
Used car loans	25,374,903,643	-1.34	\$340,531,207
Personal unsecured loans	5,858,004,854	-1.70	\$99,644,663
5-year adjustable rate 1st mortgage	27,720,232,335	-0.12	\$31,878,267
15-year fixed rate 1st mortgage	9,661,557,252	0.08	-\$8,019,093
30-year fixed rate 1st mortgage	45,162,927,744	-0.02	\$8,580,956
Home equity / 2nd mortgage loans	10,526,844,213	0.30	-\$31,791,070
Credit cards	5,825,269,442	-4.32	\$246,394,334
Interest rebates			\$220,702
<b>Total CU member benefits arising from lower interest rates on loan products:</b>			<b>\$918,641,785</b>
<b>Savings</b>			
Regular shares	84,446,609,984	0.00	\$3,377,864
Share draft checking	49,313,466,672	0.06	\$28,108,676
Money market accounts	61,476,814,652	0.14	\$84,223,236
Certificate accounts	32,681,751,326	0.40	\$131,380,640
Retirement (IRA) accounts	8,846,326,579	0.27	\$23,840,850
Bonus dividends in period			\$0
<b>Total CU member benefit arising from higher interest rates on savings products:</b>			<b>\$270,931,267</b>
<b>Fee Income</b>			
<b>Total CU member benefit arising from fewer / lower fees:</b>			<b>\$93,062,032</b>
<b>Total CU member benefit arising from interest rates on loans, savings products and lower fees:</b>			<b>\$1,282,635,083</b>
<b>Total CU member benefit / member:</b>			<b>\$98</b>
<b>Total CU member benefit / member household:</b>			<b>\$207</b>

Source: Datatrac, NCUA, and CUNA

(1) Average balance as of September 2022 and September 2021, according to the NCUA call report.; (2) Source for rates: Datatrac;