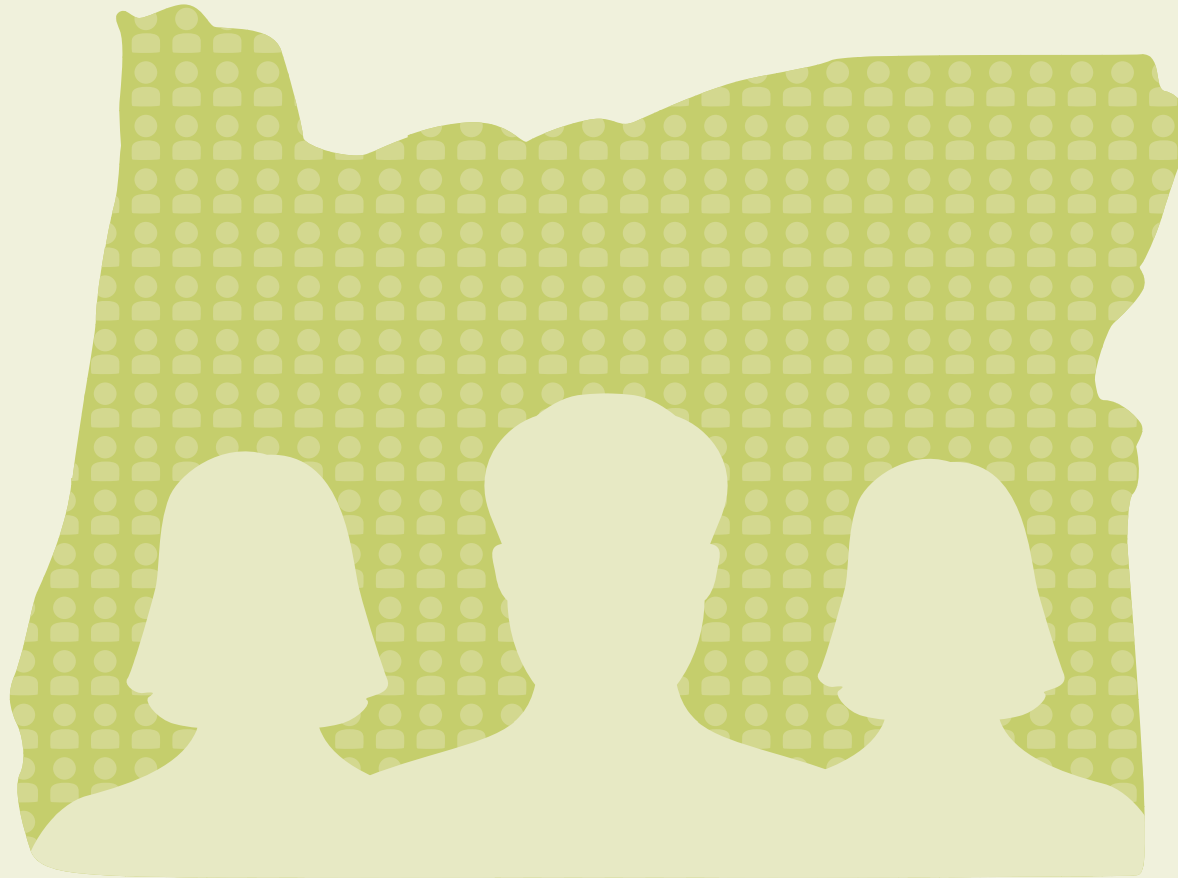


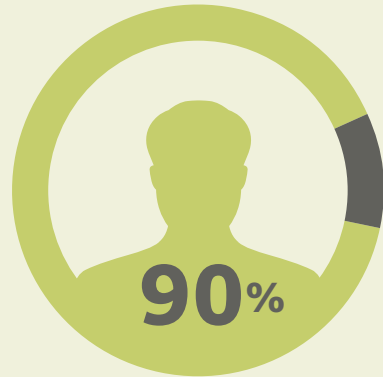
OREGON CREDIT UNIONS

COMMUNITY INVESTMENT REPORT

INSPIRING LOYALTY AND TRUST



More than **1.3 million Oregonians belong to a credit union**
and our members are intensely loyal.



90% of likely Oregon Votes
shared a positive impression of credit unions



71 Oregon
Based Credit Unions



Over 4,000
Credit Union Employees

Ninety percent of the likely Oregon voters polled in January 2013 **shared a positive impression of the credit union** in their communities.

Those positive impressions are not by accident. They are earned every day by more than **4,000 credit union employees** working at **71 Oregon-based credit unions**.



Car Loans



Home Loans



surcharge-free ATM's



Business Loans

Our credit unions are providing the financial services Main Street consumers most value: first time homebuyer programs, shared branching allowing members to conduct transactions at other credit unions, access to surcharge-free ATMs, overdraft protection and small business loans.

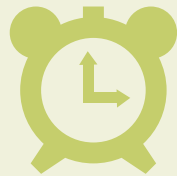
source: Thomson Reuters

Our credit unions are also more likely to provide lower-cost credit cards and auto loans than commercial banks headquartered in the state.

BUT THAT'S NOT ALL WE DO FOR OREGON.



\$2.4 million in cash donations



46,815 volunteer hours



\$782,041 in staff time

A recent survey of **36 credit unions**—large and small—found they contributed more than **\$2.4 million in cash** and more than **46,000 volunteer hours** in **2012** to children's hospitals, food banks, animal shelters and other local charities. Those credit unions also donated nearly **\$800,000 in staff time** to those efforts.



In 2012, Oregon credit unions provided **\$110 million** in direct financial benefits to the state's **1,376,050** credit union **members**, equivalent to **\$80 per member**.

Source: CUNA

COMMUNITY GIVING

Valley Credit Union: Making a real difference

Stephen Pagenstecher, Vice President of Member Services, knew of the good work an organization called “Family Building Blocks” did in his Oregon community. Valley Credit Union in Salem, had long been a sponsor of events in support of the local non-profit that provides parenting classes and other help to at-risk families. But what struck him during a luncheon a few years ago was the thought of how many diapers Family Building Blocks and its clients must go through each year. Thousands. Tens of Thousands.



Credit unions take on community projects not because they are required to by law but because they belong to the community they serve.

And though a “Donate a Diaper” campaign might seem like an unusual project for a credit union, Pagenstecher and President/CEO Jean Wheat-Palm saw a tangible way they could help keep hundreds of babies and toddlers at home with their parents and out of foster care each year.

Most people think about giving money, Wheat-Palm says,, but when you’re a parent struggling just to keep food on the table, receiving a box of diapers can mean a lot more. The credit union recruited a landscaping company and an advertising firm as local partners. For the past three years, they have collected and distributed thousands of diapers as well as baby wipes and other items. Wheat-Palm notes that the campaign also raised \$1,000 in cash last year, a lot of it coming from the 18 people employed at the credit union.

Family Building Blocks executive director, Patrice Altenhofen, says Valley Credit Union is a “wonderful example” of a community partner.

“They are making a real difference in the lives of the children and families we serve,” she said.

Valley’s “Donate a Diaper” campaign is just one example of hundreds of credit union community projects carried out each year.

Oregon Community Credit Union: Wearing jeans to buy blankets

Employees at Oregon Community Credit Union in Eugene donate \$5 a month for the “privilege” of wearing jeans on Fridays. It was a small gesture that added up for recipients. In 2012, Oregon Community employees donated \$4,881, which was used to buy blankets, emergency food, warm clothing and other critical items for people in need. In total, the credit union contributed more than \$500,000 in donations, scholarships and sponsorships in 2012.

Mid Oregon Credit Union: Contributing more than just a check

Staff at the Mid Oregon Credit Union volunteered nearly 2,000 hours and almost \$75,000 in 2012 to a variety of organizations in Central Oregon working to help children and their families. “All our outreach is predicated on not just writing checks, but having active involvement with any investments we make,” says Kyle Frick, vice president of marketing and community relations at Mid Oregon. “Almost all of our relationships are long term, lasting many years.”

Pacific Northwest FCU: Giving back as a way to say thanks

“To thank our neighbors for their continued support and loyalty, we try to give back whenever possible to local schools, charities and establishments,” says Thomas Griffith, CEO and president at Pacific Northwest. The credit union contributed \$14,084 in cash and an additional \$20,000 worth of staff time in 2012 in support of the Oregon Food Bank, the Shepherd’s Door Women’s shelter and other local organizations and schools.

OnPoint Community Credit Union: Supporting teachers, students



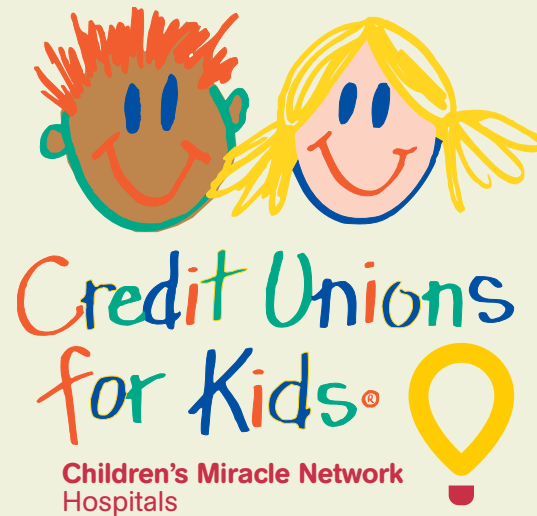
“ OnPoint’s continued support as the title sponsor of our 2013 Celebrity Spelling Bee helped us raise a record \$250,000. ”

Jennifer Bath

Executive Director, Schoolhouse Supplies

Founded by a group of Portland teachers in 1932, OnPoint Community Credit Union continues to emphasize education and is a primary sponsor of the annual OnPoint Community Credit Union Celebrity Spelling Bee benefitting the nonprofit Schoolhouse Supplies. “OnPoint’s continued support as the title sponsor of our 2013 Celebrity Spelling Bee helped us raise a record \$250,000,” says Jennifer Bath, executive director at Schoolhouse Supplies. “These critical funds support the continued growth of our Free Store for Teachers, which provides teachers with the supplies they need.”

CREDIT UNIONS FOR KIDS



In 1986, a group of Oregon and Southwest Washington credit unions began raising money for local children's hospitals. Their model was adopted nationally a decade later. **Regionally, Northwest credit unions have raised \$13 million for area children's hospitals** including Sacred Heart Medical Center, in Eugene; Rogue Valley Medical Center, in Medford and Doernbecher Children's Hospital in Portland.



“ Credit unions are vital to OHSU Doernbecher’s fundraising efforts –their impact is profound. ”

Dr. H. Stacy Nicholson

*Chair, OHSU Pediatrics Department and
Credit Union for Kids at Doernbecher*

The millions of dollars raised for Doernbecher by Oregon and Southwest Washington hospitals helped to pay for an outpatient clinic, more rooms in the hospital’s pediatric intensive care unit and have supported ongoing research.



Credit Unions for Kids is now the credit union movement's "charity of choice." While Credit Unions for Kids is proud to call Oregon and Southwest Washington "home" it **now benefits 170 Children's Miracle Network Hospitals nationwide. Since 1996, Credit Unions for kids has generated more than \$100 million for research, examination rooms and charity care.** In 2011, credit unions ranked third-trailing only behind giants Walmart and Costco among the Children's Miracle network corporate partners.

And it all started here in the Northwest.

Unitus Community Credit Union: Wine on the Willamette



Oregon credit unions have been creative with their fund-raising events to benefit children's hospitals. Unitus in Portland sponsors various fund-raisers throughout the year and each summer the credit union hosts a stylish "Wine on the Willamette" evening cruise attended by industry and community leaders. The highlight is a silent auction featuring artwork by Doernbecher patients.



Rivermark Community Credit Union: Raising dough with “Dough for Doernbecher”



Now in its 29th year, the Dough for Doernbecher fundraiser is a partnership between Rivermark Community Credit Union, Safeway Clackamas Bread Plant and the Doernbecher foundation. The highly anticipated dough sales ease the cookie baking burden on families during the Christmas holidays and help the children’s hospital with a valued tradition. In the past three years alone, “Dough for Doernbecher” has raised \$150,000.

First Tech FCU: Golfing for a cause



Named for New York Yankee Baseball greats Hank Bauer and Bill “Moose” Skowron, First Tech’s Hank and Moose continues its successful fundraising tradition. Former baseball all-Stars, pro football Hall-of-Famers and beloved basketball superstars tee off with credit union professionals at the annual tournament. The Hank and Moose has raised over \$2.7 million in its 12-year history.

For Credit Unions, It's a Team Effort



Roseburg's Cascade Community Federal Credit Union's Christmas Tree Auction, LANECO's parking for Ducks fans and Oregon Community's "Lunch at Tiffanys" are other Credit Unions for Kids events continuing the tradition of giving in the Northwest.

TEACHING FINANCIAL BASICS

Financial Literacy



In addition to charitable support, Oregon Credit unions play an important role educating parents, young adults and children about financial literacy, visiting hundreds of classes each year and offering age-appropriate lessons to tens of thousands of students.

These activities rarely make the headlines or evening news broadcast, which is ok because that's not what drives us.

Our members do.

Every credit union member is an owner and every credit union is truly a part of the fabric of their communities.





It only takes 10 hours of personal financial education to positively affect an individual

National research has shown that just **10 hours of personal finance education** can positively affect an individual's spending and saving habits for a lifetime.

Promoting financial capability is an important part of the credit union mission in Oregon and across the country.



Financial education programs include school visits and presentations to kids of all ages, with care taken to exclude any content or messaging that could be construed as promotion. Adult education includes consumer and financial counseling for members and educational sessions for non-members as well.

Oregon credit unions sponsored hundreds of educational presentations in 2012 and reached thousands of students.

Credit unions provide financial literacy education to members, encourage individual and family level thrift and saving



69% of members belong to a credit union that offers some form of financial education.



57% of members belong to a credit union that offers financial literacy workshops.



and 20% of members belong to a credit union that operates one or more in-school branches.

Source: CUNA 2013

Credit unions engage in this activity not just through altruism, but also because it is in the best interest of the credit union to have members who are educated on how to best use the cooperative.

OSU Credit Union: Defining what credit unions do best



“ I love to do this. It’s about relationships. ”

Anissa Arthenayake
OSU Federal Credit Union

You won’t find Anissa Arthenayake at her desk in her office most days.

A certified credit union financial counselor at the Corvallis-based OSU Credit Union, Arthenayake spends **at least 30-hours a week in schools and in the community teaching personal financial management.**

“I teach womb to tomb,” she says with a laugh, “and not just members.”

In 2012, Arthenayake made **529 presentations** to nearly **13,700 individuals.** Her students ranged from pre-school kids – with whom she talked about the difference between a “need” and a “want” – to people in the court system who need help to “work out their issues with money and life.”

Arthenayake asks teachers if she can be invited into their classrooms and she tailors her lesson to fit the audience. She was surprised, she said, when a group of second-graders volunteered that taxes drove their parents “crazy.”

To hold the attention in a high school class, she offers \$5 gift cards to students for answering questions about what they’ve learned.

ANISSA IN 2012



30+ hours a week in the community



529 presentations



13,700 individuals

Linn-Co Federal Credit Union: Showing that saving is fun

Every year Linn-Co Federal Credit Union finds creative ways to teach kids about money management.

In 2012, the credit union hosted two educational carnivals with booths featuring ATM safety, savings and responsible check-writing.

Providence Federal Credit Union: Offering education online

In 2012, Portland-area Providence Federal paid a financial services company \$9,000 to provide all of its members help with budget and other money management questions. The credit union also made financial education available through its website –which recorded more than 100 hits the first year.

Maps Credit Union: Helping students run on-campus branches



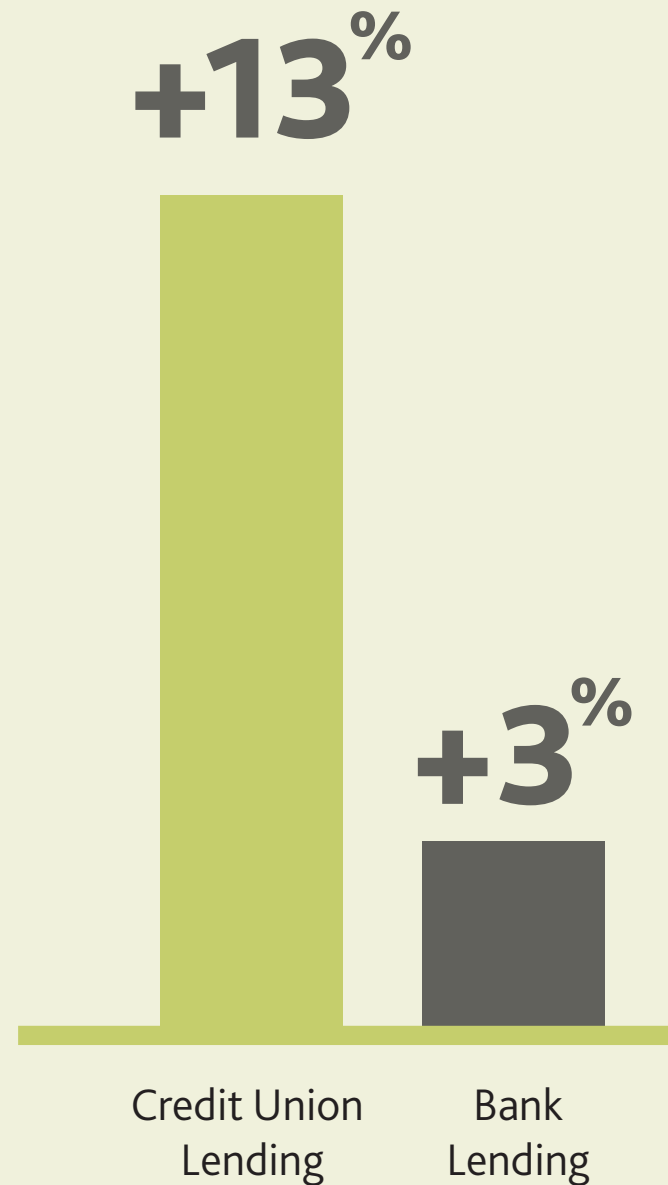
Maps Credit Union in Salem has partnered with three local high schools to provide hands-on school-to-work programs that include student-run, in-school branches. The partnership provides students with vocational training, paid internships, financial education and the opportunity to serve peers and teachers with on-campus branches.

STANDING BY IN HARD TIMES

LENDING BY THE NUMBERS

From the start of the economic downturn in **2007 through September 2012, credit union loans jumped 13 percent nationally, while bank lending increased by just 3 percent**, even after banks were given billions of federal dollars intended to spark economic growth.

source: NCUA/FDIC





OREGON CREDIT UNIONS: \$796 MILLION IN SMALL BUSINESS LOANS

The National Credit Union Administration reported that Oregon credit unions had more than **\$796 million in outstanding small business loans** as of December, 2012.

The Administration also found that, between June 31, 2011 and June 31, 2012, **Northwest credit unions had infused more than an additional \$287 million into the region's small business economy** – a year-over-year increase of 15 percent.

Source: NCUA



Credit Unions Favorability in Oregon

VS.



Banks Favorability in Oregon

90 percent of Oregonians had a **favorable view of credit unions** while **banks had only a 53 percent** favorable rating.

Unitus Community Credit Union: Helping to create jobs

D.A. Hilderbrand purchased a Northeast Portland building that was so dilapidated that the city wanted to demolish it. Where city officials saw a lost cause, Hilderbrand saw architectural history. It took more than a year to haul away 120,000 cubic feet of junk and save 29 feral cats. In 2002, Hilderbrand opened the Gotham Building and quickly rented space to other successful businesses.

But, by 2007, the abandoned building next door posed a fire hazard and Hilderbrand decided to buy the property, clean it up and expand the Gotham. He had a track record of both reviving a historic property and creating jobs but banks refused to provide the loan he needed. Hilderbrand turned to Unitus Community Credit Union instead.

“Unitus took a lot more interest in the community aspect of what I was doing instead of just going by the numbers,” he says. “Other banks never even asked why I wanted to do this.”

Today the expanded Gotham property houses design firms, computer software and accounting businesses, a wellness clinic and a popular restaurant. Roughly 100 people work there.

The recent recession underscored the difference between for-profit banks and not-for-profit credit unions. That difference saved families and businesses money through free checking and other services, lower loan fees and higher interest on savings.



“Unitus took a lot more interest in the community aspect of what I was doing instead of just going by the numbers. Other banks never even asked why I wanted to do this.”

D.A. Hilderbrand

*Owner of the Gotham Property in
Portland, Oregon*

Advantis Credit Union: Meeting urgent needs



In 2011 Advantis launched "GROW," a grant program committed to giving \$50,000 a year to non-profits working to reach as many people as possible. In 2012, GROW grants helped pay for furniture for a new domestic violence shelter, pet food and equipment for low-income pet owners, a commercial freezer and refrigerator for a nonprofit that provides 600 free meals each week and a restroom remodel at a local homeless shelter.

Union-Wallowa-Baker Credit Union: Investing in solar technology

Working with the non-profit Oregon Rural Action, the Union-Wallowa-Baker Credit Union fronted \$40,000 in loans –matched by \$40,000 from local government – to make Oregon-made, solar hot water systems available to homeowners and small businesses. The program, which expanded to include solar electric systems in 2013, not only provided a low-cost renewable energy resource but a training opportunity for local workers to install them.

SELCO Community Credit Union: Sharing and involved

Improving both the social and economic position of its members, SELCO continued a tradition in 2012 of high-impact giving through scholarships, donations and grants. The credit union shared over \$300,000 with the community, contributing \$13,000 towards feeding the hungry, nearly \$20,000 to United Way, \$6,000 to Credit Unions for Kids, nearly \$10,000 to Relay for Life races and over \$50,000 in scholarships and “mini grants” for community causes.



Oregon Community Credit Union: Adjusting loans to help people stay in their homes and keep their cars.

“Even in this tough economy credit unions understand that “bad things happen to good members.” At Oregon Community, we helped more than 500 members in 2012 alone with special work out loans that adjusted rates or payments on auto loans and mortgages.”

Mandy Jones

CEO, Oregon Community Credit Union

THE CREDIT UNION CHOICE

President Roosevelt signed the Credit Union Act of 1934 to enable consumers to form not-for-profit, cooperative financial institutions of their own. The desire then and now is to allow members to focus on the needs of their families rather than be forced to meet the needs of bank stockholders.



For Oregonians, the credit union advantage can be calculated in the savings members receive through low fees and higher savings interest and to local communities through the thousands of volunteer hours and millions of dollars contributed every year.

DATA PROVIDED BY:

Advantis Credit Union

Bi-Mart Federal Credit Union

Central Willamette Community Credit Union

Clackamas Federal Credit Union

First Community Credit Union

IBEW & United Workers Federal Credit Union

Laneco Federal Credit Union

Linn-Co FCU

Maps Credit Union

Mid Oregon Credit Union

Northeast Oregon Federal Credit Union

Northwest Preferred FCU

Northwest Priority Credit Union

Northwest Resource Federal Credit Union

Old West Federal Credit Union

OnPoint Community Credit Union

Oregon Community Credit Union

Oregonians Credit Union

OSU Federal Credit Union

Pacific Crest Federal Credit Union

Pacific NW FCU

Pacific NW Ironworkers Federal Credit Union

Point West Credit Union

Providence Federal Credit Union

Radio Cab Credit Union

Rivermark Community Credit Union

Rogue Federal Credit Union

SELCO Community Credit Union

South Coast ILWU Federal Credit Union

St. Helens Community Federal Credit Union

Sunset Science Park FCU

Union Wallowa Baker Federal Credit Union

Unitus Community Credit Union

USAgenies

Valley Credit Union

Wauna Federal Credit Union