

**WE LISTEN.
WE LEARN.
WE GROW.
TOGETHER.**

2017 ANNUAL REPORT

OnPoint[®]
COMMUNITY CREDIT UNION

Federally Insured by NCUA

A photograph of a family of four. In the foreground, a young girl with curly hair, wearing a striped shirt, looks directly at the camera with a smile. Behind her, a man and a woman are smiling and looking towards each other. To the right, another young child is looking down. The background is softly blurred.

IT STARTS WITH A CONVERSATION.

At OnPoint, it's the people and communities we serve that matter most. From our members and employees to our neighbors and community partners, we are committed to helping people thrive. It's who we are—a trusted financial partner with a rich history, deep roots and personal connection to our community.

2017 was a year of conversations. It was a year of celebrating our history and investing in our future. More importantly, it was a year of reaching out, giving back and growing, together.

A message from Rob Stuart and Tom Tsuruta.

At OnPoint, we value conversations and listening to our members. It's an important part of our success. We know our members expect smart, balanced growth that enables us to invest in our future. They expect and deserve the best member experience possible. These were our highest priorities in 2017.

As we look back at 2017, we are pleased to report OnPoint achieved strong performance in all areas. Assets increased 12% surpassing \$5 billion. Deposits grew 7% to \$4.2 billion while loans rose 13% to \$3.3 billion. Net income grew 25% to \$64 million, and membership increased by 7% to 338,000 members. Now more than ever, OnPoint continues to be safe, sound and secure.

Growth in net income allowed us to provide more value to our membership. From online and mobile banking to our Member Services call center and in-branch service delivery, we sought out ways to make it easier for members to access the tools and solutions they need.

To deepen our presence in the community and increase access for our members, we opened three new branches—Happy Valley in Clackamas County, Woodstock in Southeast Portland and Cherry Park in Troutdale. We expanded home loan options to offer VA Loans and a 5/5 Adjustable Rate Mortgage. We completed the rollout of EMV debit cards, which means all OnPoint credit and debit cards now include this important security feature. We listened to our business members and introduced a new business online banking platform that provides enhanced features and access specific to their needs.

2017 marked our 85th anniversary. We honored our history and commemorated our success by giving back to the community we have had the privilege of serving since 1932.

Our community connection was deepened by the passion and commitment of our more than 650 employees who live the OnPoint mission of promoting the financial well-being of our members. They are the reason our members trust OnPoint as their financial partner.

We are grateful to our members, employees, supervisory committee and board of directors for their loyalty, commitment and teamwork. We look forward to working with all of you to achieve another year of growth, community partnership and investing in our future.

“
It comes down
to commitment.
To our members,
our staff and our
community.”



ROB STUART



TOM TSURUTA

A handwritten signature in black ink that reads "Rob Stuart".

ROB STUART
PRESIDENT/CEO

A handwritten signature in black ink that reads "Tom Tsuruta".

TOM TSURUTA
CHAIR/BOARD OF DIRECTORS

WE CELEBRATED OUR
85TH ANNIVERSARY

228 COMMUNITY
PARTNERS

3 NEW BRANCHES
HAPPY VALLEY
WOODSTOCK
CHERRY PARK

672
OnPoint
EMPLOYEES

338,000
MEMBERS
22,000 MORE THAN 2016

WE REACHED
\$5 BILLION
IN ASSETS

9.8%
↑ OVER
LAST
YEAR

VA + ENHANCED
BUSINESS
LOANS + ONLINE
BANKING
ROLLED OUT IN 2017



2017 » FOCUSED GROWTH, STEADY GAINS.

Statements of Financial Condition

AS OF DECEMBER 31 (\$ IN THOUSANDS)

ASSETS	2017	2016
Cash and cash equivalents	\$ 838,225	\$ 525,920
Investments	816,253	937,066
Loans held for sale	19,763	23,840
Loans, net	3,283,323	2,916,900
Accrued interest receivable	9,982	9,688
Property and equipment, net	15,935	12,662
National Credit Union Share Insurance Fund (NCUSIF) deposit	40,025	35,249
Other assets	105,856	99,729
TOTAL ASSETS	\$ 5,129,362	\$ 4,561,054
LIABILITIES & MEMBERS' EQUITY		
Deposits	\$ 4,177,462	\$ 3,889,961
Borrowings	329,878	122,227
Accrued expenses and other liabilities	74,721	66,597
Total Liabilities	4,582,061	4,078,785
Members' Equity	547,301	482,269
TOTAL LIABILITIES & MEMBERS' EQUITY	\$ 5,129,362	\$ 4,561,054

Statements of Income

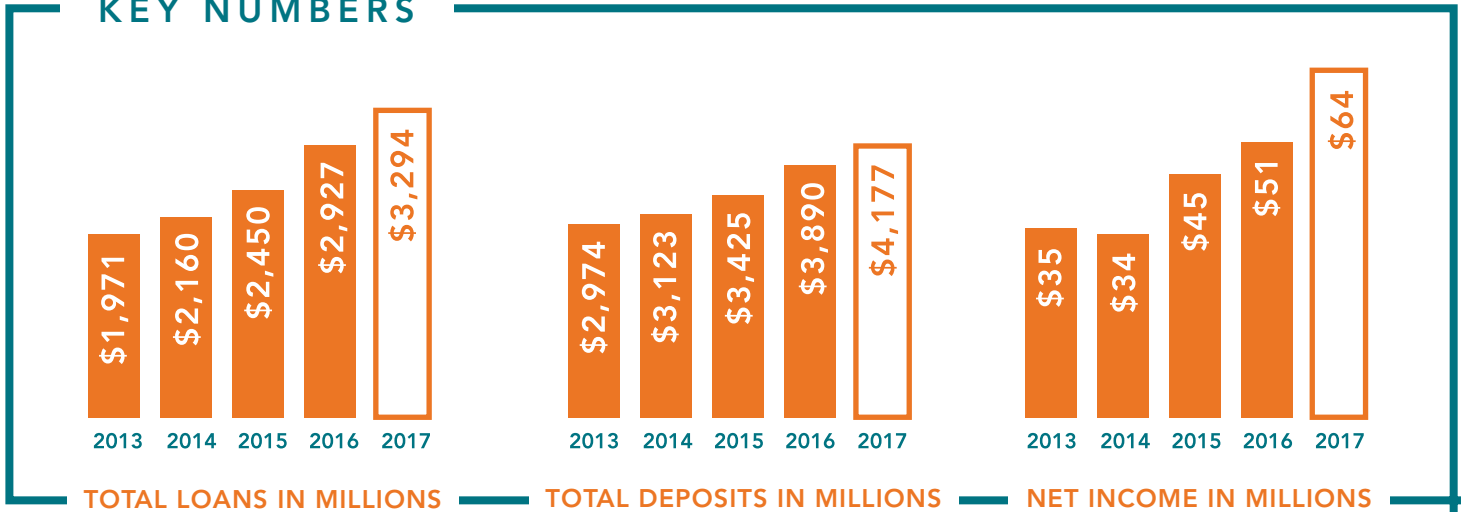
FOR THE YEARS ENDED DECEMBER 31 (\$ IN THOUSANDS)

INTEREST INCOME & EXPENSE	2017	2016
Interest Income	\$ 138,025	\$ 115,535
Interest Expense	11,144	6,855
Net Interest Income	126,881	108,680
Provision for Loan Losses	2,999	1,989
Net Interest Income After Provision for Loan Losses	\$ 123,882	\$ 106,691
NON-INTEREST INCOME		
Interchange income	\$ 31,890	\$ 27,036
Fee income	12,513	11,966
Net gain on sale of loans	11,077	14,368
Other non-interest income	8,322	6,428
Total non-interest income	\$ 63,802	\$ 59,798
NON-INTEREST EXPENSE		
Compensation and benefits	\$ 60,750	\$ 55,702
Professional and outside services	27,005	24,319
Office operations	11,157	11,954
Occupancy	8,402	7,330
Promotional	6,771	6,045
Other non-interest expense	9,324	9,817
Total Non-Interest Expense	\$ 123,409	\$ 115,167
NET INCOME	\$ 64,275	\$ 51,322

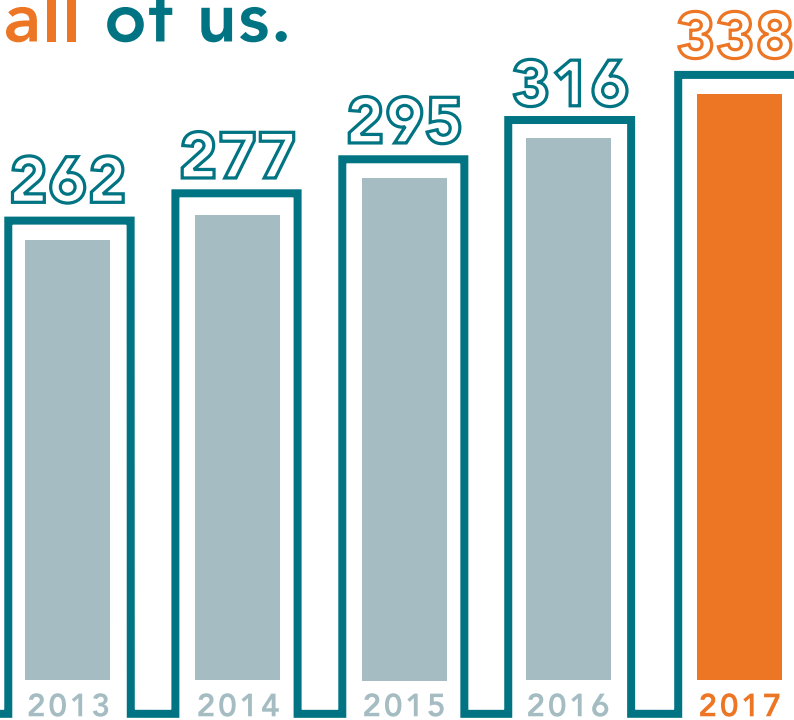
To receive a copy of the financial report of OnPoint Community Credit Union as of December 31, 2017 and 2016, please call 503.228.7077 or toll-free 800.527.3932 or email info@onpointcu.com.

2017 » FOCUSED GROWTH, STEADY GAINS.

KEY NUMBERS



OnPoint's strength
comes from
all of us.



TOTAL MEMBERS IN THOUSANDS



2017 OFFICIALS

Board of Directors

TOM TSURUTA
Chair

KEITH MORRIS
Vice Chair

MATT MROCZEK
Secretary

STEVE GOLDSCHMIDT

CORI "SUSI" HARMS

LELAND "ROCKY" JOHNSON

SIVA NARENDRA, Ph.D.

LEN SCHULWITZ

KAREN SCHWARTZROCK

Executive Management

ROB STUART
President/
Chief Executive Officer

JIM ARMSTRONG
Senior Vice President/
Chief Information Officer &
Human Resources Executive

VERONICA ERVIN
Senior Vice President/
Chief Compliance Officer

JIM HUNT
Senior Vice President/
Chief Financial Officer

TORY MCVAY
Senior Vice President/
Chief Retail Officer & Wealth
Management Executive

STEVE OWEN
Senior Vice President/
Chief Operations Officer

Supervisory Committee

BRENT MACEY
Chair

WES DAVIS

SCOTT THOMPSON

Executive Committee

TOM TSURUTA
Chair

KEITH MORRIS
Vice Chair

MATT MROCZEK
Secretary

ROB STUART
Treasurer

OnPoint[®]
COMMUNITY CREDIT UNION