

# A common thread



OnPoint

2010





Our common thread brings almost 214,000 members together. Growth means strength and opportunities, but our shared values will always keep our relationship with members on a personal level.

## Weaving life's fabric together

Commitment to each other. Trust. Safety. Loyalty. Community. These shared values form a common thread that weaves together the ever deepening relationships between OnPoint Community Credit Union and our members. Shared values that are at the heart of who OnPoint is and how we do business. Shared values that insist OnPoint remains personal and responsive to each individual member, yet continues to grow thoughtfully in order to increase opportunities for all members to be financially successful and secure.

So it was in 2010. Guided by industry knowledge and expertise, OnPoint continued to respond to member input. We expanded access through new branch openings and mobile banking upgrades. Increased member options included additional mortgage products and new business loan products. OnPoint has now created such a comprehensive suite of services, members can actually customize the way they pursue their individual financial goals.

Like a loom weaves many threads into purposeful fabric, the nearly 214,000 members that are OnPoint form a fabric stronger than any single member. This reminds us of the fabric of community and how a strong community benefits all of us.

We place great importance in supporting our community. The sincerity behind our commitment is unwavering. OnPoint increased our community involvement again this past year. Sponsorships of various community programs, launching a program of our own, and volunteer participation from OnPoint employees reflect the shared values that weave us all together as one.

The year's successful performance and the growing common thread bond with our members makes us feel good about where we're headed. We look forward to weaving life's fabric together.



Staying personal means OnPoint listens to our members. This input is invaluable in weaving the products and services that will help make their financial dreams come true.

## Message to our members

A common thread seems to weave through each year's new chapter of OnPoint Community Credit Union's story. Regardless of the economic climate, OnPoint continues to produce strong performance results and provide every member with a safe place to save and borrow money. 2010 was no different.

OnPoint grew to almost 214,000 members last year, enhancing our strength and security while growing member opportunities. We improved access by opening four new branches (two in Bend and one each in Oregon City and Redmond), upgrading mobile banking, and adding new ATM services. New business products included loans for autos, equipment and real estate.



Steve Gray and Rob Stuart

We opened an outside Mortgage Lending Office, added new Jumbo Fixed and Conventional Adjustable Rate mortgage products, and received full designation from HUD to originate, sell and service FHA mortgages. OnPoint achieved a record year for mortgage loan generation, placing 5th overall in the Portland area for first mortgage production. Freddie Mac awarded OnPoint the highest level of quality rating due to low first mortgage loan delinquency.

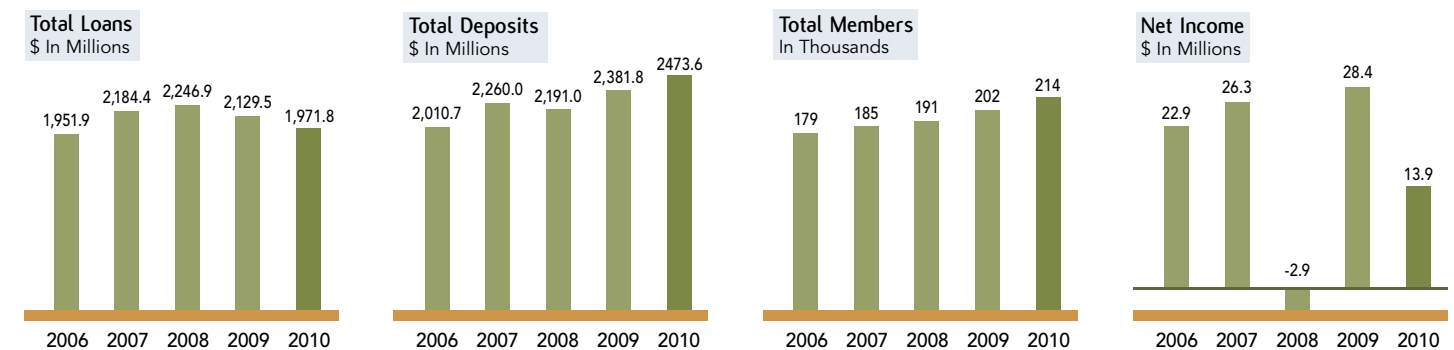
Not only is OnPoint's success rooted in expert knowledge and smart business decisions, but we depend on member expertise too. Who knows better than members themselves what they need to reach their goals? They talk with us about their plans and dreams. We listen and incorporate their input into the products and services we create. It's part of our commitment to do business at a personal level, no matter how much we grow.

The better acquainted we get with our members we realize just how much we have in common. Shared values remind us of the importance of community, how much stronger we are together, and how a strong community benefits us all. OnPoint's community involvement grew in 2010. Much is needed. Our commitment continues.

Many thanks to our board of directors, our executive team, our employees and our loyal members for another successful year.

Rob Stuart, President / CEO

Steve Gray, Chair / Board of Directors





## Weaving strong results

### Statements of financial condition

December 31	2010	2009
(\$ In Thousands)		
<b>ASSETS</b>		
Cash and cash equivalents	\$208,591	\$153,942
Available-for-sale investments	549,915	313,627
Other investments	75,697	119,039
Loans held for sale	9,597	11,773
Loans, net	1,944,902	2,109,239
Accrued interest receivable	8,216	8,509
Property and equipment, net	5,315	4,016
National Credit Union Share Insurance Fund (NCUSIF) deposit	24,690	23,714
Other assets	14,390	10,468
<b>Total Assets</b>	<b>\$2,841,313</b>	<b>\$2,754,327</b>
<b>LIABILITIES AND NET WORTH</b>		
Deposits	\$2,473,556	\$2,381,752
Borrowings	60,000	86,769
Accrued expenses and other liabilities	31,327	24,213
<b>Total Liabilities</b>	<b>2,564,883</b>	<b>2,492,734</b>
<b>Net worth</b>	<b>276,430</b>	<b>261,593</b>
<b>Total Liabilities and Net Worth</b>	<b>\$2,841,313</b>	<b>\$2,754,327</b>

### Statements of income

For the Years Ended December 31	2010	2009
(\$ In Thousands)		
<b>INTEREST INCOME</b>	\$118,450	\$127,019
<b>INTEREST EXPENSE</b>	34,061	49,742
Net Interest Income	84,389	77,277
<b>PROVISION FOR LOAN LOSSES</b>	28,390	30,720
Net Interest Income After Provision for Loan Losses	55,999	46,557
<b>NON-INTEREST INCOME</b>		
Fee income	9,766	8,775
Interchange income	11,951	9,154
Net gain on sale of loans	8,010	7,698
Impairment loss on capital investment in corporate credit union	(270)	(730)
Recapitalization gain on NCUSIF deposit	–	13,865
Other operating income	3,733	3,117
<b>Total Non-Interest Income</b>	<b>33,190</b>	<b>41,879</b>
<b>NON-INTEREST EXPENSE</b>		
Compensation and benefits	33,873	29,503
Professional and outside services	12,597	11,630
Office operations	7,491	7,262
NCUSIF premium assessment	6,300	(2,471)
Promotional	5,612	5,510
Occupancy	5,469	4,795
Other	3,975	3,788
<b>Total Non-Interest Expense</b>	<b>75,317</b>	<b>60,017</b>
<b>Net Income (Loss)</b>	<b>\$13,872</b>	<b>\$28,419</b>

Single threads are interwoven. Each one contributes. Each one depends on the other for the strength they create together. OnPoint's fabric is strong.



# 2010 Officials

## Board of Directors

Steve Gray, Chair  
Wayne Pederson, Vice Chair  
Maureen Scally, Secretary  
Lori Freeman  
Cori Harms  
Keith Morris  
Steve Nicholson  
Len Schulwitz  
Fred Wong

## Supervisory Committee

Rick Morine, Chair  
Wes Davis  
Brent Macey

## Executive Team

Rob Stuart  
President/  
Chief Executive Officer


Jim Armstrong  
Senior Vice President/  
Human Resources &  
Technology

Jim Hunt  
Senior Vice President/  
Chief Financial Officer

Gary Lawrence  
Senior Vice President/  
Chief Risk Officer

Tory McVay  
Senior Vice President/  
Retail Delivery

Kelly Schrader  
Senior Vice President/  
Marketing & Member  
Services



Weaving  
the  
future



This credit union is federally insured by  
the National Credit Union Administration.

**OnPoint**<sup>®</sup>  
COMMUNITY CREDIT UNION