# U.S. Credit Union Overview

## Member-Owned, Not-For-Profit, Financial Cooperatives

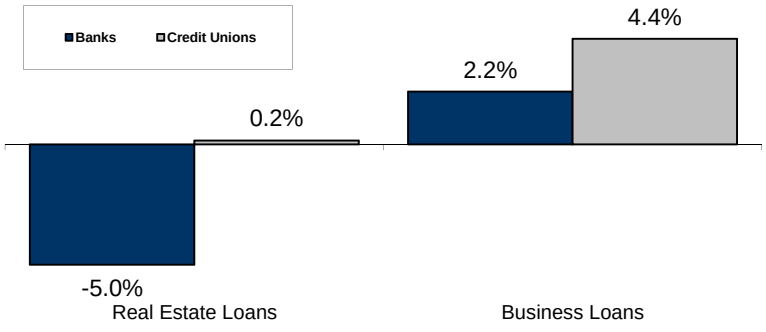
As of June 2011. Sources: NCUA, CUNA.

| | |
|---|---|
| Number of U.S. Credit Unions: | 7,386 |
| Consumer Member-Owners: | 92 million |
| Assets: | $955 billion |
| Loans: | $572 billion |
| Consumer Savings: | $823 billion |
| Capital to Assets: | 10% |

### Credit Unions Have Continued to Serve Borrowers As Other Lenders Pulled Back

**Loan Growth Year Ended June 2011**

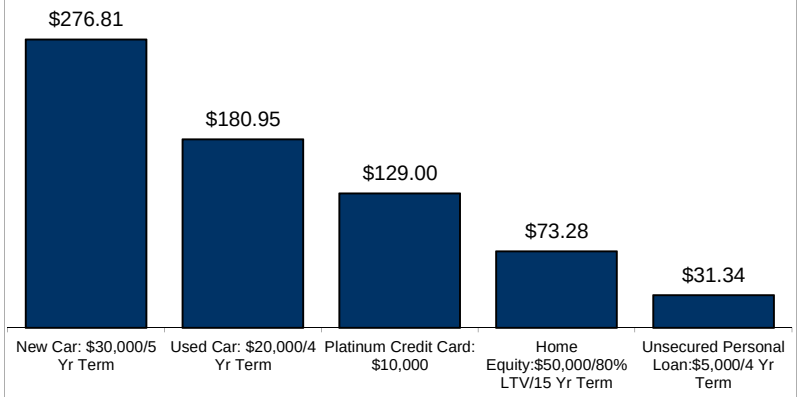
**(Source: FDIC, NCUA, CUNA Policy Analysis)**




### Consumers Save Big at Credit Unions

**Average Annual Savings on Credit Union Loan Products**

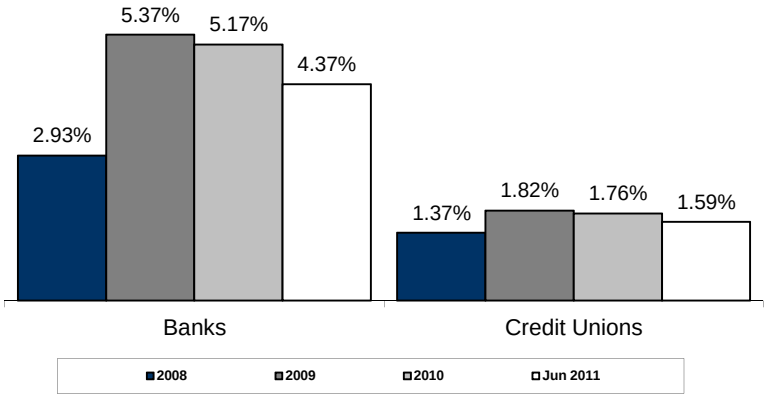
**(Source: Informa, calculated as the difference in total payments using average interest rates)**




### Much Smaller Delinquency Increases at Credit Unions

**Loan Delinquency Rates**

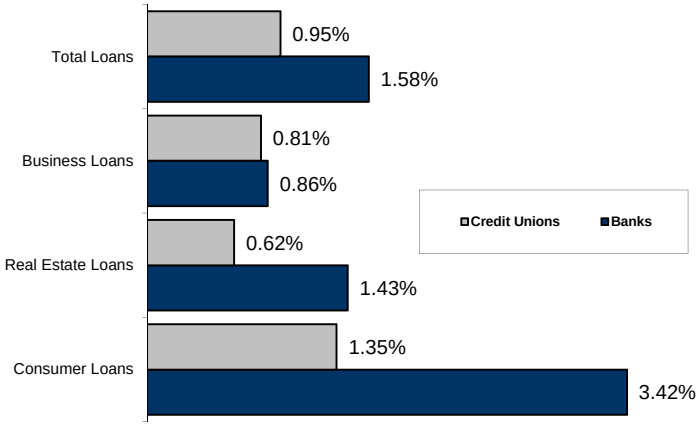
**(Source: FDIC, NCUA, CUNA Policy Analysis)**




### Credit Unions: A Record of Safe Lending

**Loan Charge-Offs - June 2011 (Annualized)**

**(Source: FDIC, NCUA, CUNA Policy Analysis)**



# Credit Union Member Business Lending Overview

As of June 2011. Sources: FDIC, NCUA, CUNA.

CUNA Credit Union National Association

**National Overview**

| | |
|---|---|
| Number of CUs with MBLs | 2,226 |
| Total CU MBLs outstanding | $39,250,743,407 |
| Average size of CU MBLs | $218,680 |
| MBLs: % of Assets at offering CUs | 5% |
| 12 Month Loan Growth: | |
| Credit union MBLs* | 4% |
| Commercial bank business loans | 2% |
| Community bank business loans | -3% |

*MBLs are the fastest-growing segment of CU loan portfolios

**North Carolina**

| | |
|---|---|
| Number of CUs with MBLs | 28 |
| Total CU MBLs outstanding | $943,197,119 |
| Average size of CU MBLs | $158,841 |
| MBLs: % of Assets at offering CUs | 3% |
| 12 Month Loan Growth: | |
| Credit union MBLs in your state | 16% |
| Commercial bank business loans in your state | 8% |

## CU Business Lending: Safe & Sound

### Business Loan Asset Quality Comparisons

| | Net Chargeoffs | |
|---|---|---|
| | Credit Union MBLs | Commercial Bank Commercial & Industrial Loans |
| 1997 | 0.18% | 0.28% |
| 1998 | 0.08% | 0.43% |
| 1999 | 0.12% | 0.57% |
| 2000 | 0.05% | 0.01% |
| 2001 | 0.10% | 1.43% |
| 2002 | 0.09% | 1.76% |
| 2003 | 0.08% | 1.26% |
| 2004 | 0.10% | 0.50% |
| 2005 | 0.05% | 0.27% |
| 2006 | 0.08% | 0.30% |
| 2007 | 0.09% | 0.52% |
| 2008 | 0.33% | 1.01% |
| 2009 | 0.57% | 2.62% |
| 2010 | 0.66% | 1.75% |
| Q2 2011 | 0.81% | 0.86% |
| Avg. since '97 | 0.23% | 0.90% |

Source: FDIC, NCUA, and CUNA E&S.

## Average Asset Size of MBL CUs

### Those Near Cap Tend to be Larger CUs

| MBLs as a % of Assets | Number of CUs | Average Asset Size | Unused Capacity Under Current Cap | Unused Capacity If Cap = 25% |
|---|---|---|---|---|
| >0.0% to 5.0% | 1,518 | $322,821,723 | $52,636,778,137 | $115,117,308,683 |
| 5.0% to 7.5% | 266 | $422,589,204 | $6,735,385,017 | $21,067,497,881 |
| 7.5% to 10.0% | 166 | $495,607,605 | $2,893,269,480 | $13,382,804,437 |
| 10.0% to 12.5% | 144 | $414,590,650 | $723,573,418 | $8,335,457,757 |
| 12.5%+ | 134 | $269,505,651 | | |

Source: NCUA, and CUNA E&S.

Many credit unions have not entered the MBL arena because the 12.25% cap prevents them from earning sufficient income to cover start-up and ongoing program costs.

## Removing MBL 12.25% cap:

* Will produce an estimated $13 billion in new MBLs in the first year

New MBLs in the first year in your state: $445,367,483

* Will produce an estimated 146,000 new jobs using CEA job multiplier

Number of new jobs in your state: 4,841

**No cost to taxpayers**