

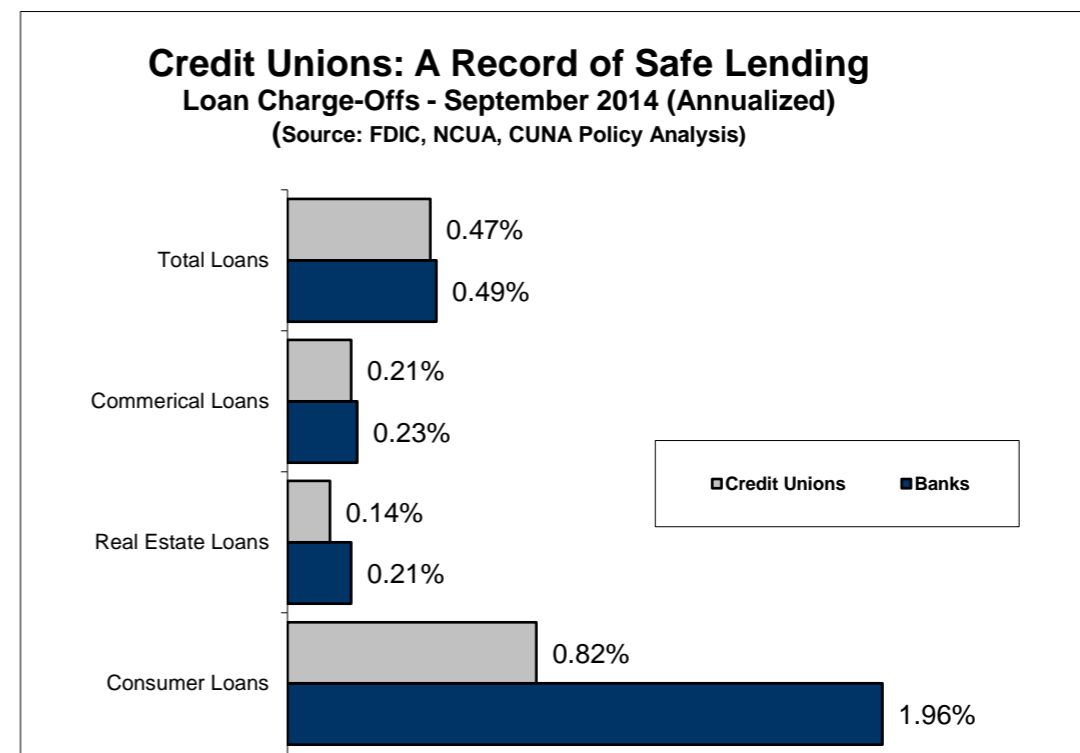
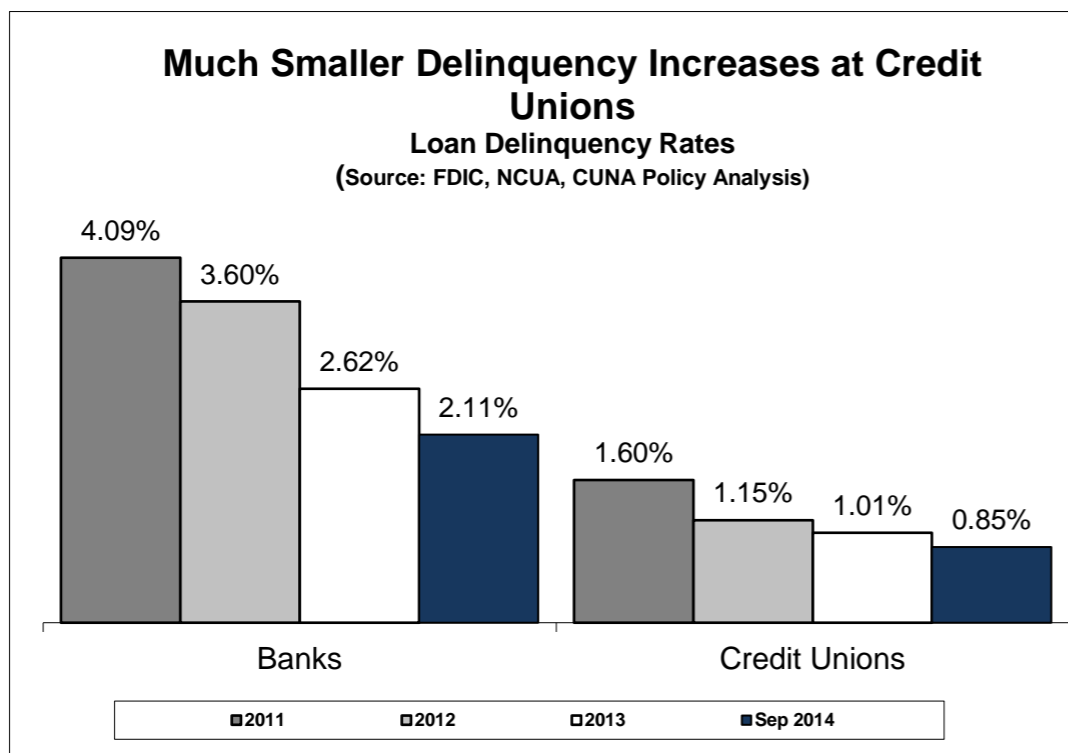
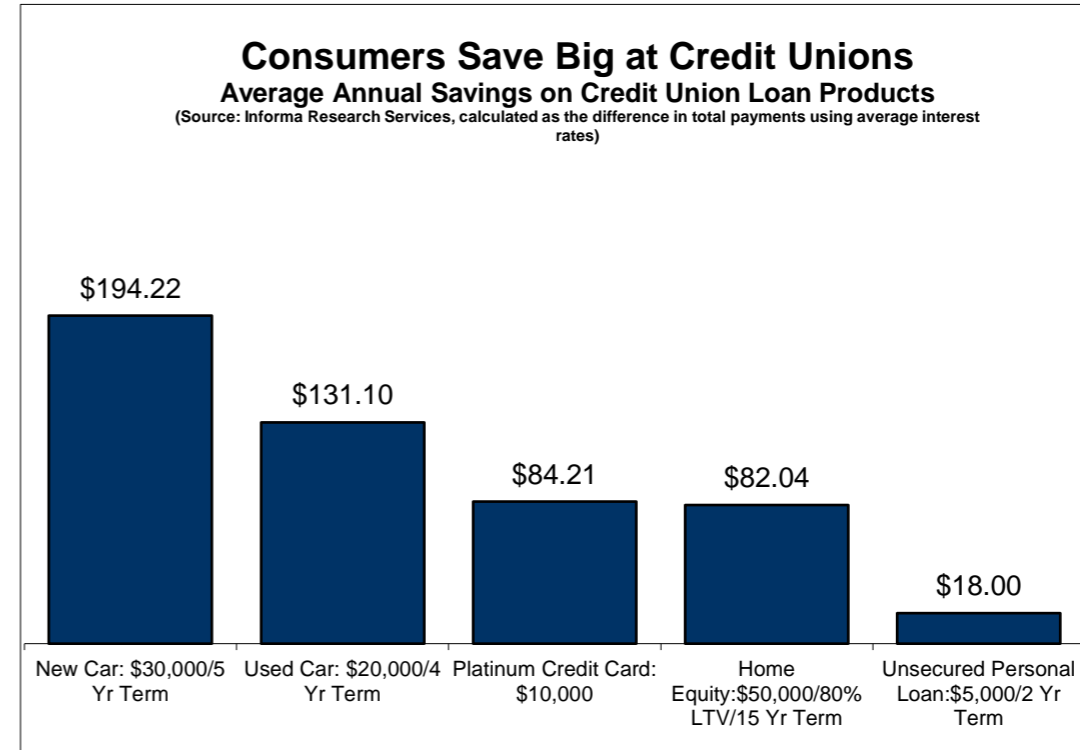
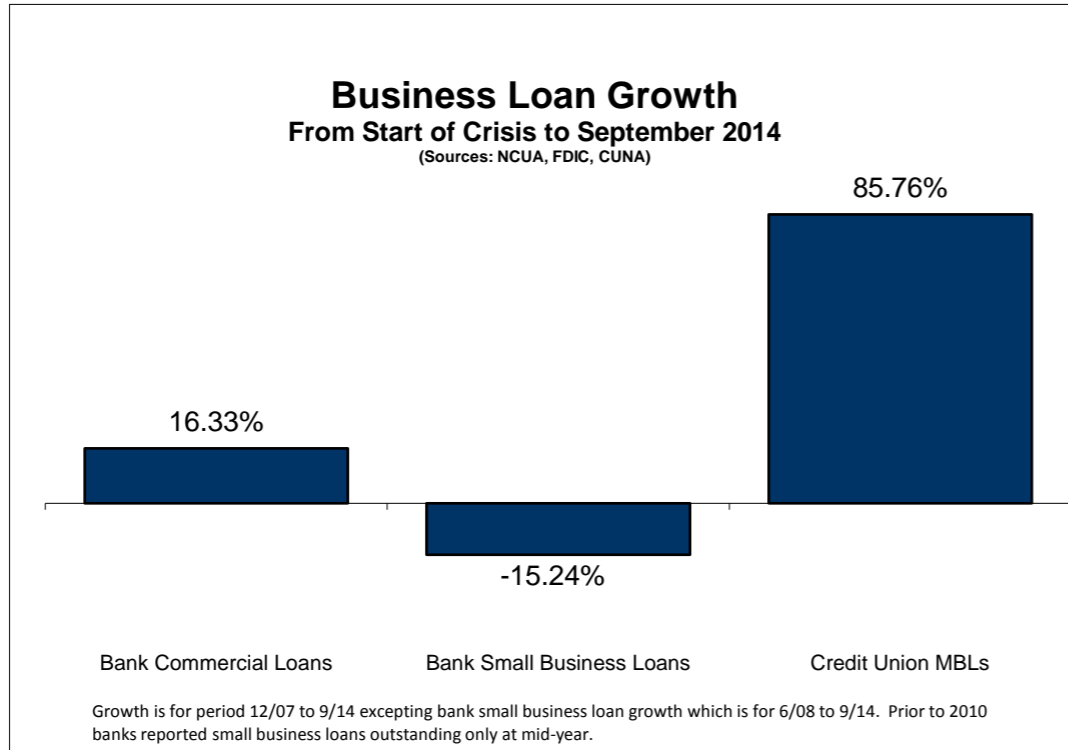
# U.S. Credit Union Overview

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

As of September 2014. Sources: NCUA, CUNA.



|                               |               |
|-------------------------------|---------------|
| Number of U.S. Credit Unions: | 6,477         |
| Consumer Member-Owners:       | 100.1 million |
| Assets:                       | 1,122 billion |
| Loans:                        | \$706 billion |
| Consumer Savings:             | \$951 billion |
| Capital to Assets:            | 10.9%         |



# Credit Union Member Business Lending Overview

As of September 2014. Sources: FDIC, NCUA, CUNA.



## National Overview

|                                   |                  |
|-----------------------------------|------------------|
| Number of CUs with MBLs           | 2,302            |
| Total CU MBLs outstanding         | \$51,905,192,908 |
| Average size of CU MBLs           | \$204,609        |
| MBLs: % of Assets at offering CUs | 5%               |

12 Month Loan Growth:

|                    |     |
|--------------------|-----|
| Credit union MBLs* | 13% |
|--------------------|-----|

\*MBLs are among the fastest-growing segments of CU loan portfolios

## Ohio

|                                   |               |
|-----------------------------------|---------------|
| Number of CUs with MBLs           | 126           |
| Total CU MBLs outstanding         | \$922,811,458 |
| Average size of CU MBLs           | \$116,048     |
| MBLs: % of Assets at offering CUs | 4%            |

## CU Business Lending: Safe & Sound Business Loan Asset Quality Comparisons

### Net Chargeoffs

|                | Credit Union<br>MBLs | Commercial Bank<br>Commercial &<br>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           | 0.35%                | 1.01%   |
| 2009           | 0.62%                | 2.62%   |
| 2010           | 0.79%                | 1.75%   |
| 2011           | 0.92%                | 0.89%   |
| 2012           | 0.79%                | 0.51%   |
| 2013           | 0.52%                | 0.32%   |
| <u>Q3 2014</u> | <u>0.21%</u>         | <u>0.23%</u>  |
| Avg. since '97 | 0.29%                | 0.81%   |

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

## Average Asset Size of MBL CUs Those Near Cap Tend to be Larger CUs

Excludes Grandfathered and Non Federally Insured and/or Low Income Designated CUs

| MBLs as a<br>% of Assets | Number<br>of CUs | Average<br>Asset Size | Unused Capacity<br>Under Current Cap | Unused Capacity<br>If Cap = 27.5% |
|--------------------------|------------------|-----------------------|--------------------------------------|-----------------------------------|
| >0.0% to 5.0%            | 1,034            | \$490,405,707         | \$53,265,310,037                     | \$130,594,933,924                 |
| 5.0% to 7.5%             | 181              | \$477,223,438         | \$5,453,299,121                      | \$18,625,859,079                  |
| 7.5% to 10.0%            | 146              | \$587,823,200         | \$2,998,167,082                      | \$16,086,050,634                  |
| 10.0% to 12.5%           | 99               | \$567,424,415         | \$608,887,952                        | \$9,175,578,062                   |
| 12.5%+                   | 20               | \$815,679,923         |                                      | \$2,119,173,704                   |

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 \$13.7 billion in new MBLs in the first year

New MBLs in the first year in your state:

\* Will produce an estimated 149,000 new jobs using CEA job multiplier

Number of new jobs in your state:

**No cost to taxpayers**