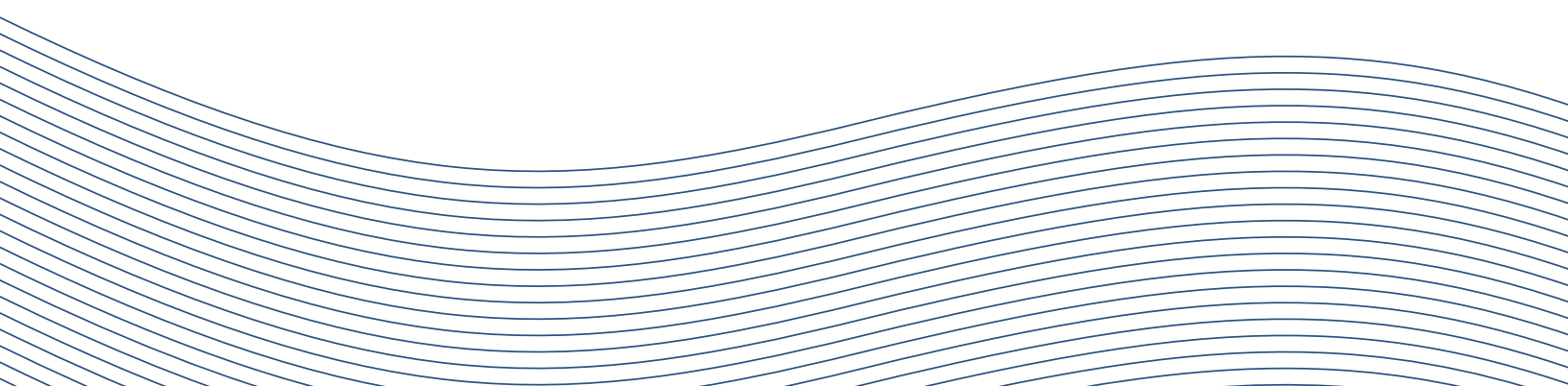


# The State of Small Credit Unions Today

The 20-year update from CUNA Small Credit Union Committee on the current challenges and opportunities facing small credit unions and why their success remains tied to the success of the movement.

**Final Report to the CUNA Board of Directors & CUNA Advocacy Committee**  
May 2021



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## **I. Introduction: Why Small Credit Unions Still Matter**

This report commemorates the 20-year anniversary of the formation of the CUNA Small Credit Union Committee (“Committee”) which serves as the voice and advisory body for small credit unions to the CUNA Board and Advocacy Committee. When the Committee was formed, it created a similar report which served as a roadmap to preserve and strengthen the small credit union model. The Committee is pleased to provide a 20-year update to that report.

The following recommendations are not directed to CUNA and the CUNA Board, but rather to all within the credit union movement who wish to sustain small credit unions. We believe stakeholders across the industry must come together to preserve this important segment of credit unions.

## The State of Small Credit Unions Today

New fintechs? A global pandemic? How is it possible that small credit unions continue to survive?

Contrary to conventional wisdom, small credit unions are still growing and they're still serving members in extraordinary ways.

There are online-only small credit unions. There are small credit unions that are attacking the payday lending industry. There are small credit unions that serve the military and police departments. There are small credit unions that are the last reliable lenders in their towns. There are small credit unions that are the only lending option for undocumented immigrants.

Are we seeing consolidation? Yes. More importantly, there are more than **10 million members** who have **\$50 billion in loans** from small credit unions nationwide.

In this report, the **CUNA Small Credit Union Committee** outlines the current state of small credit unions and opportunities for growth. This report also examines how cross-industry support can lead to greater collaboration at all asset levels and how working together can strengthen the movement against attacks on our tax status. The recommendations in this report can empower small credit unions to better serve the needs of consumers and advance communities across the country.

It is important to note that supporting small credit unions does not mean supporting poorly run financial institutions. **In fact, there is no significant difference between the average operating expense ratio of an average \$10 million credit union and an average \$750 million credit union (Figure 1).**

Small credit unions have fewer resources to adequately compete in the highly regulated and high-tech financial services sector. There are fewer dollars to invest in talent or health benefits and less scale to afford training to help fortify and further expand their membership.

Yet, with what they have, small credit unions shine as organizations. Credit unions like:

- **Ironworkers USA FCU** has grown from \$7 million in assets just 10 years ago to a nationally chartered credit union with \$60 million in assets.
- \$40 million **Element FCU** beat out global banks in 2019 and won a contract to house funds from the state's medical hemp program.
- Connecticut-based **Manchester Municipal FCU**, with just \$28 million in assets, created student loan program that is the envy of large credit unions across the Northeast.

Small credit unions must collaborate in new ways to achieve the scale necessary to access the technology they need to remain relevant. A significant part of the burden that small credit unions face can only be addressed by the people who lead them, but those leaders need help.

We look forward to your engagement with the solutions we have recommended.

-Members of the CUNA Small Credit Union Committee

## II. Efficient, Growing and Women-led: Small Credit Unions by the Numbers

The average credit union under \$100 million in assets is efficiently run, is growing, and is led by a woman. These are the facts to know about small credit unions in the United States today:

### Attributes of credit unions under \$100 million vs. credit unions above \$100 million

	Small credit unions	Credit unions above \$100 million
<b>Number of credit unions</b>	~3,500	~1,700
<b>Assets</b>	\$18 million	\$315 million
<b>Members</b>	2,000	25,000
<b>Full-time employees</b>	7	170
<b>Percent of women CEOs</b>	53%	23%

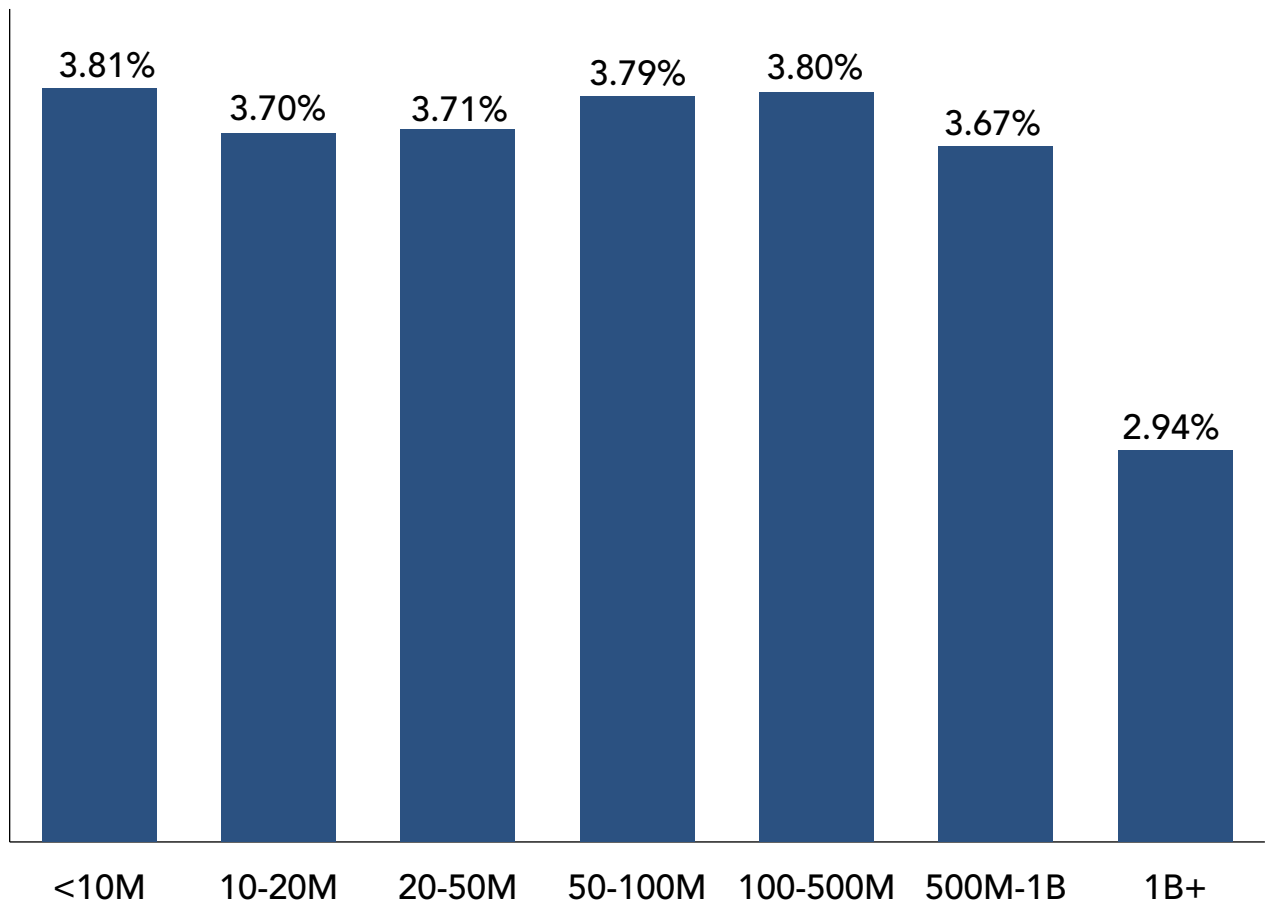
## The Good: Small Credit Union Efficiency & Growth

Small credit unions, on average, are as efficient as their larger counterparts.

Many small credit unions post comparable operating expense ratios to credit unions nearing \$1 billion in assets, as illustrated in Figure 1.

Figure 1

### Operating Expense Ratios for all credit unions - 2019 Year-end Data



Group averages by credit union asset size.  
Source: NCUA

## Also Good: Small Credit Union Health & Growth

In some cases, small credit unions are seeing aging or shrinking memberships and stagnant loan growth. Overall, however, there have been encouraging signs of growth among small credit unions.



A full quarter of small credit unions reported 2019 loan growth that was at least 50% higher than the rate reported by the average large credit union.



In 2019, more than a quarter of all small credit unions saw their membership grow at least **two times faster** than the rate of U.S. population growth.



In 2019, the average small credit union reported an operating expense ratio of 3.58%. The average credit union with \$100 million or more in assets reported an expense ratio of 3.63%.



## Not So Good: Compliance Costs

The cost of doing business remains exorbitantly high. When lawmakers and regulators add new rules, there is a disproportionately negative impact on small credit unions.

 **\$814 million**

Regulatory burden at small credit unions is growing faster than in other parts of the movement. Between 2016 and 2018, the cost of regulatory compliance for small credit unions climbed **5% to \$814 million**, according to Cornerstone Advisors.

For the rest of the movement, the cost rose by roughly 2%.

 **0.73% vs. 0.47%**

Regulatory costs as a percentage of average assets at small credit unions totaled 73 basis points in 2018, compared to just 47 basis points for the rest of the movement.

In 2018, the return on assets (ROA) for small credit unions came in at 60 basis points. *In other words, regulatory costs were 30% higher than their ROA.*

### **III. Arguments for the Continued Importance of Small Credit Unions**

The CUNA Small Credit Union Committee spent 2020 discussing the value and importance of small credit unions to the overall success of the movement. From these discussions, three significant arguments in favor of small credit unions emerged: small credit unions are vital to their members and communities; small credit unions are critical to preserving the credit union tax status; and diversity in size and type of institution ensures a stronger, more robust credit union movement.

The unique challenges that small credit unions face must be addressed in order for them to continue survive.

## Argument 1: Small Credit Union are Vital to their Members and Communities

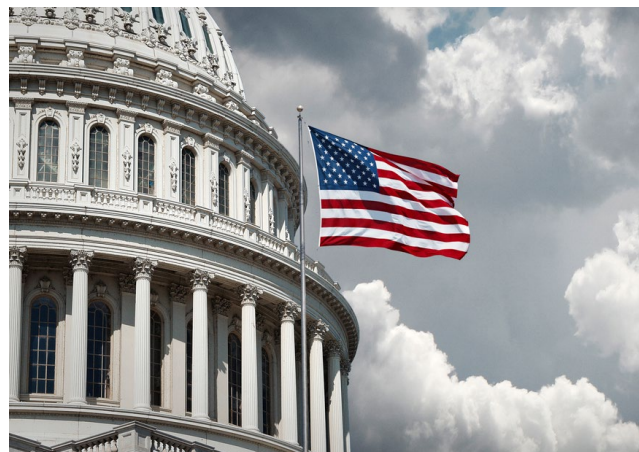


The financial well-being of tens of millions of people across America depend on the devoted service of small credit unions. Without small credit unions, many people would not have access to the financial products, services, or education they need. **Small credit unions' knowledge of their members' needs and their ability to tailor new products to meet those needs can mean the difference between the bills being paid on time and financial ruin. Losing that highly specialized service would harm financial access and security for millions.**

In turn, communities across the country would suffer should small credit unions disappear. Small credit unions are deeply embedded in their communities, both financially and culturally, through volunteerism and contributions to local causes. They are invaluable partners to their communities because their members, their boards and their staff are their communities. When a small credit union is shuttered, everyone in that community – regardless of membership status – suffers a loss.

## Argument 2: Small Credit Unions are Critical to Preserving the Credit Union Tax Status

What does the credit union movement look like without small credit unions? Imagine if the financial institutions that serve church congregations, fire departments, small towns, teachers, union halls, or undocumented immigrants, disappeared. What would the industry look like? Would that picture be strong enough to protect against future attacks against credit unions? There is significant political strength in an industry that remains diverse, local, SEG-based, and, in many cases, small. The loss of the credit union not-for-profit tax status would be catastrophic for the movement.



There is also strength in numbers. If the tax status is called into question, small credit unions add millions of voices to the chorus calling to preserve that status. The banks continue their efforts to divide and conquer our movement by pitting small and large credit unions against each other. These types of strategies will be less successful when small credit unions are healthier and when larger credit unions support them.

### Argument 3: Diversity in Size and Type of Institution Ensures a Stronger, More Robust Credit Movement



A credit union movement comprised of diverse institutions is better suited to remain flexible in response to future challenges, both at the member and industry levels.

Concentrating all credit union resources within a few institutions will produce a system that is less robust, less adaptable to a changing world, and less able to meet the ever-multiplying needs of an increasingly diverse U.S. population, making the industry more vulnerable to economic shocks. Just as a financial portfolio is riskier when it leverages fewer investments, the credit union movement is at greater risk financially if the diversity in size and type of credit union is lost.

The continued loss of small credit unions would also lead to less opportunities for industry collaboration, fewer ideas for innovation in products and services, and a weaker understanding of the financial challenges our local communities face. This harms our ability as a movement to be the financial beacon of hope this nation needs.

## **IV. The Six Big Challenges Facing Small Credit Unions and Suggested Solutions**

This section defines the six biggest challenges facing small credit unions and offers simple solutions to address those challenges.

It is important to note that these are not action items intended for the CUNA Board to enact, but rather solutions the Committee believes should be adopted by any number of stakeholders within the movement.

The CUNA Small Credit Union Committee will formally recommend pursuing at least some of the solutions in the months ahead.

## Challenge 1: Technology

The overriding challenge with technology is cost. Small credit unions often don't have the scale to afford newer, non-revenue-generating technology. Beyond the financial impact, new technology is both time and resource-intensive to implement and maintain. Employees typically serve in several roles at small credit unions, and the time to learn, implement and maintain new technology only adds to their workload.

Additional technology challenges for small credit unions include:

- Inability of different cores to integrate with each other, limiting opportunities for collaboration;
- Little awareness or limited knowledge of their options;
- Willingness of "old guard" leaders to invest in new technology;
- Challenges with working with service providers;
- Lack of expertise to establish a technology strategy, including a lack of knowledge about when to invest, what to invest in, and whether it is appropriate for the credit union;
- Lack of staff expertise to ensure that new technology addresses all risk and regulatory concerns.

## Recommended Solutions: Small Credit Union Grants and Technology Education Opportunities

**Recommendation 1:** Create a grant that enables small credit unions to use for technology improvements. Several states have grants available for small credit unions, funded with contributions from larger credit unions. A similar program that enables small credit unions to invest in technology to improve and modernize member service could be explored at the national level.

**Recommendation 2:** Create educational programming for small credit unions that would strengthen their knowledge of technology best practices. At a minimum, such a program would focus on:

- General strategies for successfully adopting the right technologies, to include topics such as tips for selecting a core processor, interactive teller machine strategies, e-signature solutions and more;
- Making the most of their current core processor;
- Demystifying perceptions that conversions are too challenging to undertake; and
- Successfully and affordably switch to a new provider when ready.

## **Challenge 2: Board Leadership and Engagement**

Many CEOs and managers of small credit unions are planning to retire in the coming years. Credit union boards that increase their involvement in CEO succession planning is one opportunity to help small credit unions succeed.

Alternatively, it is imperative that credit union leaders increase their role in recruiting board members. To stay relevant, credit unions must recruit and retain a deep bench of strong board members who think strategically and who encourage the credit union evolve.

Furthermore, prioritizing board member onboarding and training would help small credit union boards: capitalize on opportunities for growth; adapt to new technology, products and services needed to remain relevant; and plan for succession of current credit union leadership. Recruiting engaging, diverse and capable board members remains a major struggle for many credit unions at all asset levels.

### **Recommended Solution: Catalyzing a Culture Shift**

Small credit union boards need a culture shift; enhancing governance will improve how board members lead their organizations. In strengthening board leadership, engagement and governance, small credit unions:

- Instill a growth-focused strategy and the importance of finding a niche;
- Create a pipeline of diverse board members;
- Address the challenges of CEO and Board succession; and
- Improve how boards of small credit unions perceive their roles, ensuring they focus on the high-level and strategic direction of the organization and not the details of day-to-day management.

To accomplish this, the Committee recommends developing a training program that both raises awareness of the need for this culture shift and provides the steps and strategies necessary implementation.

### **Challenge 3: Member Growth**

The two significant factors that limit member growth are relevance and visibility.

**Relevance:** Often, small credit unions are unable to offer a full complement of loan products and services, and consequently, they lose members who would prefer to do all their business at one financial institution that has more a comprehensive selection.

**Visibility:** Marketing remains one of the biggest challenges small credit unions face. Many simply don't have the scale or budget to maintain a similar digital or physical presence to larger financial institutions. Small credit unions often cannot afford full-time marketing staff to professionally shape the organization's image to potential members.

This lack of marketing and branding has led to an awareness and perception issue for small credit unions. Potential members often don't know that the credit union exists, if they can join, or what products and services small credit unions provide.

### **Recommended Solution: Large/Small Credit Union Marketing Mentorship Program**

Many small credit unions struggle with branding and marketing, and very few understand their niche. Small credit unions that have a clearly defined niche – brought to life by smart, cost-effective branding – tend to be the strongest among their peers.

Small credit unions need to reimagine or redefine their niches by using demographics and by identifying consumer needs and preferences. The Committee envisions a mentor program for large credit unions to help small credit unions with their brand positioning and marketing strategies.

The goals of the mentorships would be to help the small credit union:

- Identify and refine its niche;
- Develop a clear brand around that niche; and
- Bring that brand to market with a strong, strategic plan.



## Challenge 4: Generating Income

Many small credit unions enjoyed a rising ROA in 2019. Unfortunately, the COVID-19 pandemic has slowed growth and hurt income for many individuals, families, and businesses nationwide. Loan volume is down. Members are not making large purchases and are paying down debt faster than normal, both of which limit revenue. For those members who are making purchases, rate shopping is taking precedence over loyalty to the credit union.

Additional lending and/or income challenges for small credit unions include:

- Inability to offer a full complement of loan products, particularly mortgages, business loans and, for very small credit unions, credit cards due to scale and regulatory restrictions;
- Examiners often discourage new, innovative loan products due to possible risk;
- Limited budgets to hire full-time marketers who can create awareness of the credit union's loan products; and
- Competition from larger credit unions is eroding loan volume due to overlapping fields of membership.

## Recommended Solutions: Loan Participation Education and Small Credit Union Lending School

**Recommendation 1:** The Committee recommends creating guidance for small credit unions on underwriting participation loans and on best practices for collaborating with other credit unions to meet the required minimums for these types of loans.

**Recommendation 2:** The Committee recommends creating a Small Credit Union Lending Institute that would teach the core principles and provide concrete action steps for small credit unions to be successful in lending, including:

- Mortgage lending;
- Niche lending and successfully adding new products with confidence;
- Loan documents, forms, and compliance;
- Marketing loan products;
- Technology best practices; and
- Participation loans and collaborating with larger credit unions.

## **Challenge 5: Health Care Costs**

The rising cost of providing health care benefits to employees has put such a significant strain on small credit union budgets that the Committee agreed that the issue should stand on its own.

These costs continue to climb for both credit unions and their employees each year. Even if small credit unions are able to minimize costs, the quality of the insurance often decreases as copays and deductibles rise. Employees who can choose a spouses' health care coverage often do so. Many small credit unions cannot offer spousal coverage, which makes it more challenging to attract and retain talent.

Small credit unions don't have the scale or the number of employees to receive competitive pricing, particularly in markets where there are few or, in some cases, only one health insurance option. Rising health care costs keep small credit unions from hiring additional employees, and/or from investing in technology and other services that would help the credit union remain relevant, grow, and thrive.

### **Recommended Solution: National Credit Union Health Care Task Force**

Access to affordable, quality employee health care benefits is a tough issue for small credit unions to solve on their own. If this problem is not addressed, the ability for small credit unions to attract and retain talent will remain dim. The loss of talent, which is the foundation for small credit union success, is a loss for the entire movement.

Given the clear need for cross-industry cohesion on this issue, the Committee recommends creating a task force comprised of credit union leaders of all asset sizes, with League representation, to explore how and/or whether the movement could potentially address the rising cost of health care through advocacy, consortiums, or other strategies.

The good news is that several Leagues have stepped up to provide association health programs to credit unions. Meanwhile, CUNA Strategic Services (CSS) has recently partnered with InterLutions, which aims to drive down the cost of health care for credit unions. This task force plans to coordinate with Leagues, CSS and others to learn how to best integrate these solutions into its recommendations.

## Challenge 6: Increasing Overall Costs

In addition to health care costs, there are several areas within small credit union budgets that make it increasingly difficult to earn a sustainable net income. The line items that appear to be the most challenging to get under control are:

- Core processor costs, annual fees and the “nickel and diming” that small credit unions report occur each year;
- Card services and ATMs that providers fail to price fairly for small credit unions;
- Regulatory burden,\* including additional auditing costs due to increased oversight and requirements from the NCUA; and
- Office supplies, especially due to COVID-19, such as masks, hand sanitizer and other personal protective equipment (PPE), and marketing costs.

\*Regulatory burden disproportionately affects small credit unions that do not nearly have the resources to keep up with the growing and changing requirements. While it does not appear on small credit union balance sheets as a single line item, this cost is embedded in overall operations. Small credit unions must purchase specialized products to help with compliance needs or rely more heavily on outside services.

## Recommended Solution: Buyer Groups and Vendor Management Collaboration

**Recommendation 1:** Small credit unions have long voiced the need to collaborate on vendor contracts or create buyer groups to achieve economies of scale. Similarly, CUNA Strategic Services has focused deeply on leveraging economies of scale across the movement to provide better pricing for key services for all credit unions. The Committee recommends establishing a task force to explore how small credit unions could build on CSS’ great work and leverage their collective scale to earn more competitive pricing for products and services. The task force would also work to elicit buy-in from business partners to ensure that all stakeholders understand the potential value of these buyer groups, such as a more efficient process of working with smaller credit unions, including fewer product demonstrations, contract negotiations, and trainings.

**Recommendation 2:** Many credit unions nationwide rely on similar vendors or providers, so the Committee recommends creating a database of vetted business providers to cut down on vendor due diligence which would benefit all credit unions. This time-consuming work often has a snowball effect on small staffs that can lead to higher costs in a variety of ways, including less staff time for strategic initiatives and member service.

## V. Next Steps

The cornerstone philosophy of individual credit unions is “people helping people.” The movement-level version of that same philosophy is “credit unions helping credit unions.”

The data shows that supporting small credit unions does not mean propping up poorly run financial institutions; rather, it means supporting credit unions struggling due to an increasingly difficult operating environment.

There is no better place to invest more resources in the movement than into small credit unions, where the credit union philosophy in action is as bright and true as it was when credit unions first came into existence.

### **Where to Begin**

The recommendations – directed at the movement at large – aim to raise awareness of the significant challenges facing small credit unions and provide ideas to preserve them.

Each year, this Committee works on a resource or solution which it hopes will address a major challenge facing small credit unions. Examples of completed projects, as well as the rest of CUNA’s small credit union resources, can be found in the next section.

The progress of the Committee’s work can be viewed in the CUNA Small Credit Union Community at [cuna.org/SmallCU](https://cuna.org/SmallCU).

Thank you for your engagement and support as the Committee continues its leadership in strengthening and preserving these vital institutions nationwide.

## **VI. CUNA Small Credit Union Resources and Initiatives**

CUNA Small Credit Union Community

CUNA Small Credit Union Community File and Policy Library

CUNA Small Credit Union Community Virtual Roundtables

CUNA/League Small Credit Union Webinar Series

CUNA Small Credit Union Strategic Planning Facilitator's Guide

CUNA Small Credit Union Succession Planning Guide and Workbook

CUNA Small Credit Union Loan Promotion Idea Book

CUNA Small Credit Union Strategic Planning Guide: Five to Thrive

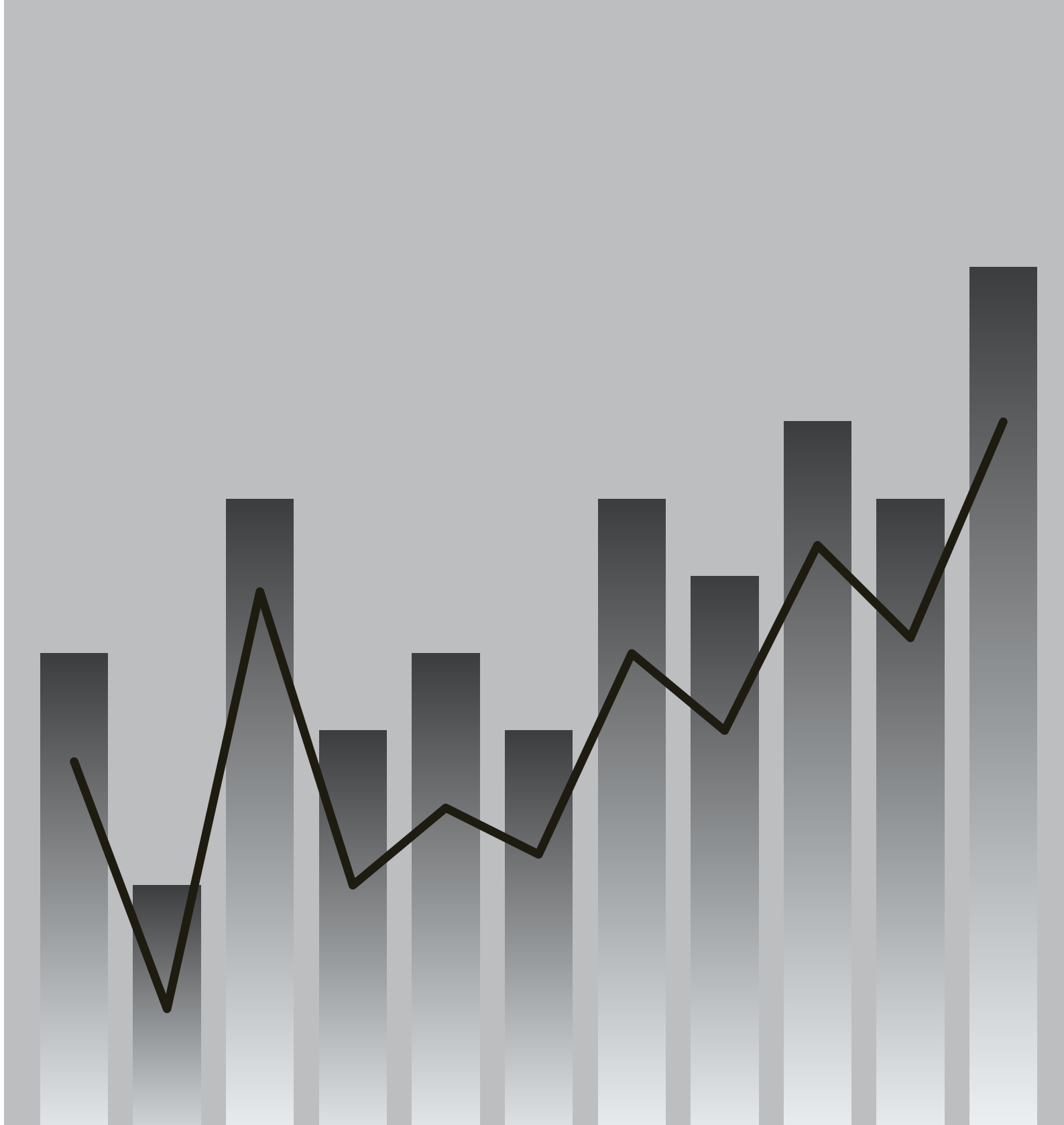
CUNA Peer Profile Reports

CUNA Compliance Community and Resources

# Small (<\$100M J20) Credit Union Profile

Mid-Year 2020

CUNA Economics & Statistics



# Small (<\$100M J20) Credit Union Profile

Mid-Year 2020

## Overview by Year

	U.S. CUs	Small (<\$100M J20) CUs
<b>Demographic Information</b>		
	Jun 20	Jun 20
Number of CUs	5,271	3,542
Assets per CU (\$ mil)	335.6	27.1
Median assets (\$ mil)	40.3	18.0
Total assets (\$ mil)	1,769,037	96,000
Total loans (\$ mil)	1,161,697	48,216
Total surplus funds (\$ mil)	533,761	44,264
Total savings (\$ mil)	1,507,955	83,616
Total memberships (thousands)	123,692	10,086
<b>Growth Rates</b>		
Total assets	15.0	10.1
Total loans	7.1	0.3
Total surplus funds	38.2	23.6
Total savings	16.4	11.1
Total memberships	3.3	-1.1
% CUs with increasing assets	90.5	86.4
<b>Earnings - Basis Pts.</b>		
Yield on total assets	368	355
Dividend/interest cost of assets	79	44
Net interest margin	289	311
Fee & other income *	130	101
Operating expense	304	353
Loss Provisions	58	22
Net Income (ROA) with Stab Exp	57	38
Net Income (ROA) without Stab Exp	57	38
% CUs with positive ROA	80.6	76.3
<b>Capital Adequacy</b>		
Net worth/assets	10.5	12.1
% CUs with NW > 7% of assets	96.7	95.8
<b>Asset Quality</b>		
Delinquencies (60+ day \$)/loans (%)	0.57	0.87
Net chargeoffs/average loans (%)	0.52	0.41
Total borrower-bankruptcies	175,728	12,002
Bankruptcies per CU	33.3	3.4
Bankruptcies per 1000 members	1.4	1.2
<b>Asset/Liability Management</b>		
Loans/savings	77.0	57.7
Loans/assets	65.7	50.2
Net Long-term assets/assets	33.4	19.4
Liquid assets/assets	17.7	29.3
Core deposits/shares & borrowings	52.0	72.1
<b>Productivity</b>		
Members/potential members (%)	3	3
Borrowers/members (%)	57	55
Members/FTE	391	396
Average shares/member (\$)	12,191	8,290
Average loan balance (\$)	16,406	8,690
Employees per million in assets	0.18	0.27
<b>Structure</b>		
Fed CUs w/ single-sponsor	11.3	15.7
Fed CUs w/ community charter	17.5	15.5
Other Fed CUs	32.4	34.8
CUs state chartered	38.7	34.0

Earnings, net charge-offs, and bankruptcies are year-to-date numbers annualized. Due to significant seasonal variation, balance sheet growth rates are for the trailing 12 months. U.S. Totals include only credit unions that are released on the NCUA 5300 Call Report file.

Source: NCUA and CUNA E&S.

# Small (<\$100M J20) Credit Union Profile

Mid-Year 2020

## Overview: State Trends

	U.S.	Small (<\$100M J20) Credit Unions						
Demographic Information	Jun 20	Jun 20	2019	2018	2017	2016	2015	2014
Number of CUs	5,271	3,542	3,542	3,540	3,538	3,538	3,537	3,532
Assets per CU (\$ mil)	335.6	27.1	24.6	24.0	23.7	23.2	22.4	21.8
Median assets (\$ mil)	40.3	18.0	16.4	16.1	15.9	15.6	15.2	14.7
Total assets (\$ mil)	1,769,037	96,000	87,263	85,064	83,954	81,944	79,354	76,853
Total loans (\$ mil)	1,161,697	48,216	48,745	47,400	44,856	42,548	40,589	38,889
Total surplus funds (\$ mil)	533,761	44,264	35,137	34,451	35,989	36,459	35,997	35,307
Total savings (\$ mil)	1,507,955	83,616	75,185	73,480	72,861	71,264	68,968	66,745
Total memberships (thousands)	123,692	10,086	10,135	10,196	10,201	10,228	10,232	10,289
<b>Growth Rates</b>								
Total assets	15.0	10.1	2.6	1.3	2.5	3.3	3.3	2.1
Total loans	7.1	0.3	2.8	5.7	5.4	4.8	4.4	3.8
Total surplus funds	38.2	23.6	2.0	-4.3	-1.3	1.3	2.0	0.3
Total savings	16.4	11.1	2.3	0.8	2.2	3.3	3.3	1.9
Total memberships	3.3	-1.1	-0.6	0.0	-0.3	0.0	-0.6	-0.5
% CUs with increasing assets	90.5	86.4	60.4	55.1	63.1	68.5	69.0	61.9
<b>Earnings - Basis Pts.</b>								
Yield on total assets	368	355	388	363	338	332	331	333
Dividend/interest cost of assets	79	44	46	36	30	30	30	32
Net interest margin	289	311	342	327	308	302	301	300
Fee & other income	130	101	116	118	110	110	108	108
Operating expense	304	353	373	361	352	353	353	354
Loss Provisions	58	22	27	31	29	27	22	22
Net Income (ROA) with Stab Exp	57	38	58	53	37	32	33	33
Net Income (ROA) without Stab Exp	57	38	58	53	37	32	33	33
% CUs with positive ROA	80.6	76.3	84.4	85.8	79.8	78.8	77.8	77.9
<b>Capital Adequacy</b>								
Net worth/assets	10.5	12.1	13.1	12.8	12.5	12.4	12.4	12.4
% CUs with NW > 7% of assets	96.7	95.8	98.3	98.4	98.0	98.0	98.0	98.3
<b>Asset Quality</b>								
Delinquencies (60+ day \$)/loans (%)	0.57	0.87	1.00	1.08	1.16	1.22	1.21	1.28
Net chargeoffs/average loans (%)	0.52	0.41	0.49	0.53	0.52	0.51	0.46	0.49
Total borrower-bankruptcies	175,728	12,002	11,511	11,579	11,889	12,140	17,808	13,215
Bankruptcies per CU	33.3	3.4	3.2	3.3	3.4	3.4	5.0	3.7
Bankruptcies per 1000 members	1.4	1.2	1.1	1.1	1.2	1.2	1.7	1.3
<b>Asset/Liability Management</b>								
Loans/savings	77.0	57.7	64.8	64.5	61.6	59.7	58.9	58.3
Loans/assets	65.7	50.2	55.9	55.7	53.4	51.9	51.1	50.6
Net Long-term assets/assets	33.4	19.4	20.0	20.9	21.7	21.4	22.5	24.6
Liquid assets/assets	17.7	29.3	23.0	20.9	22.1	22.6	21.5	20.9
Core deposits/shares & borrowings	52.0	72.1	70.1	70.3	69.4	68.2	67.0	64.9
<b>Productivity</b>								
Members/potential members (%)	3	3	3	3	3	4	4	5
Borrowers/members (%)	57	55	54	51	48	49	45	44
Members/FTE	391	396	386	394	385	404	406	412
Average shares/member (\$)	12,191	8,290	7,419	7,207	7,143	6,967	6,740	6,487
Average loan balance (\$)	16,406	8,690	8,919	9,131	9,207	8,566	8,844	8,581
Employees per million in assets	0.18	0.27	0.30	0.30	0.32	0.31	0.32	0.33
<b>Structure</b>								
Fed CUs w/ single-sponsor	11.3	15.7	15.7	15.8	15.8	16.0	16.2	16.3
Fed CUs w/ community charter	17.5	15.5	15.3	14.9	14.8	14.8	14.9	14.8
Other Fed CUs	32.4	34.8	34.9	35.1	35.0	34.4	34.1	34.2
CUs state chartered	38.7	34.0	34.0	34.2	34.3	34.8	34.7	34.8

Earnings, net charge-offs, and bankruptcies are year-to-date numbers annualized. Due to significant seasonal variation, balance sheet growth rates are for the trailing 12 months. U.S. Totals include only credit unions that are released on the NCUA 5300 Call Report file.

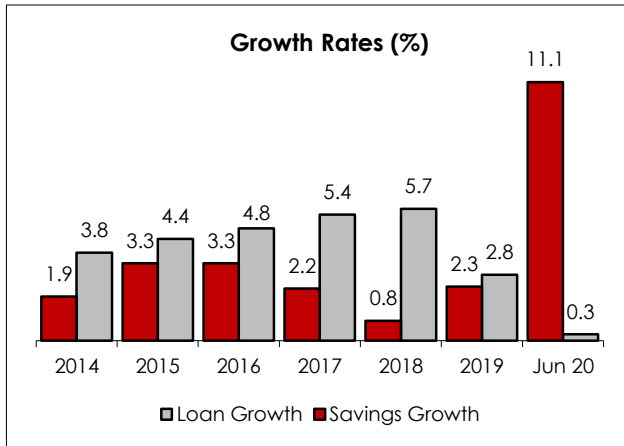
Source: NCUA and CUNA E&S.



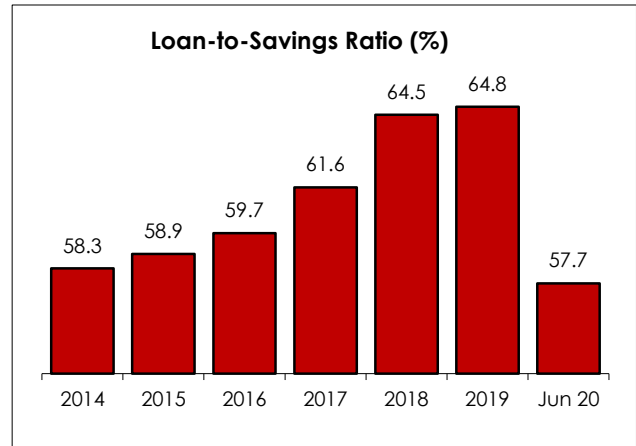
# Small (<\$100M J20) Credit Union Profile

Mid-Year 2020

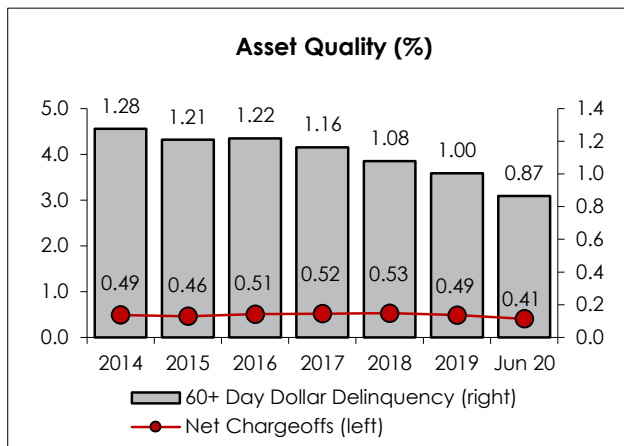
## Loan and Savings Growth Trends



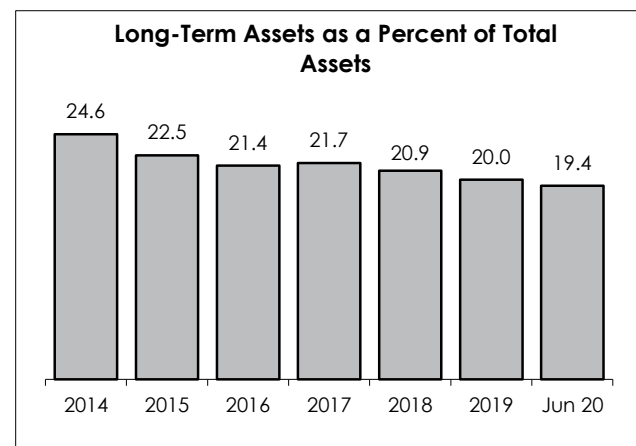
## Liquidity Trends



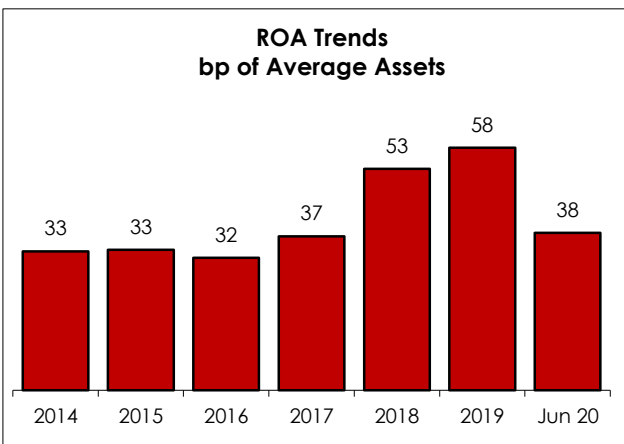
## Credit Risk Trends



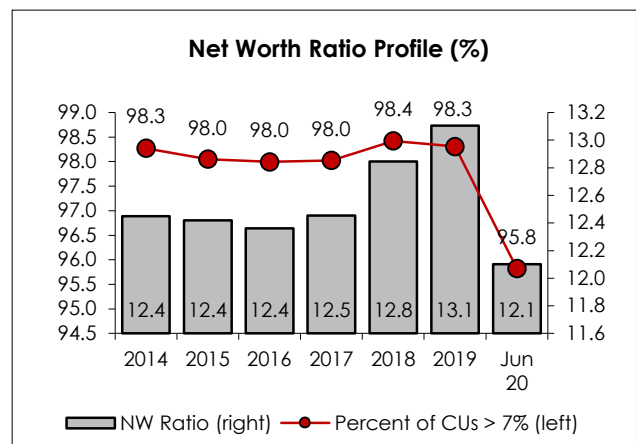
## Interest Rate Risk Trends



## Earnings Trends



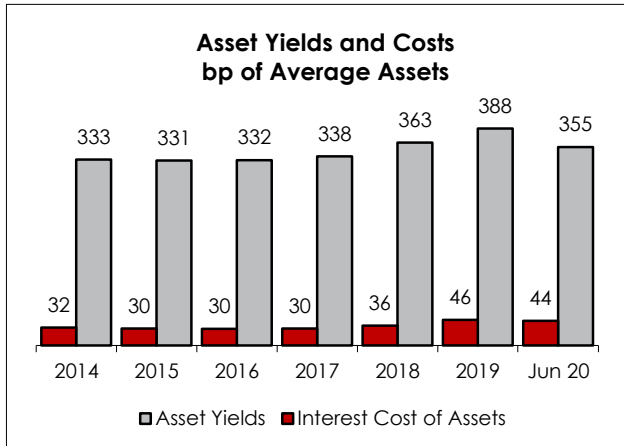
## Solvency Trends



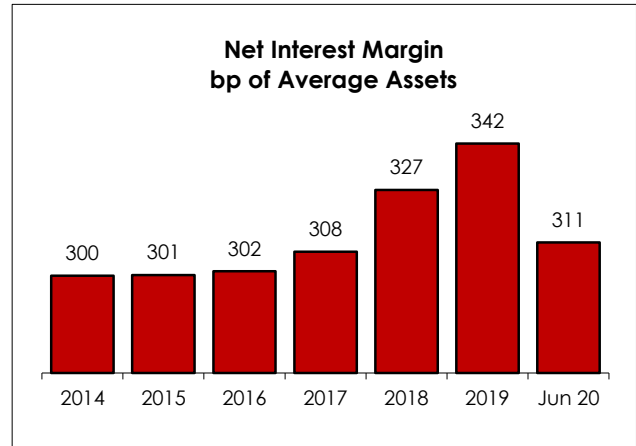
# Small (<\$100M J20) Credit Union Profile

Mid-Year 2020

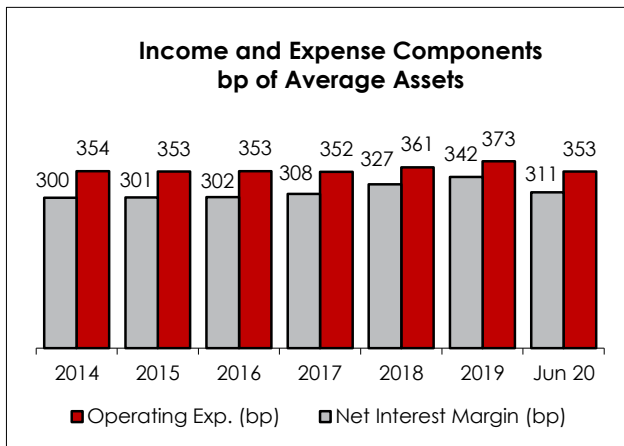
## Asset Yields and Funding Costs



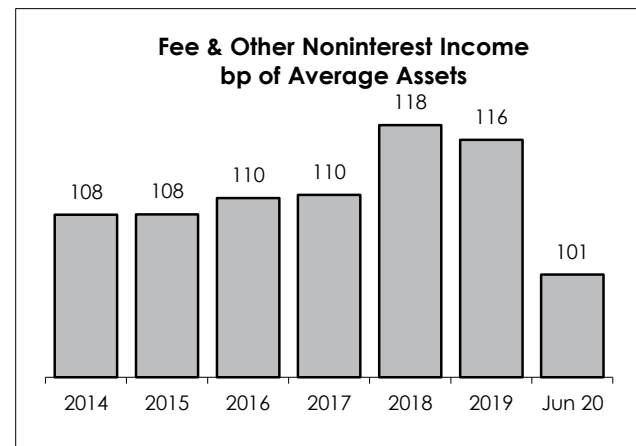
## Interest Margins



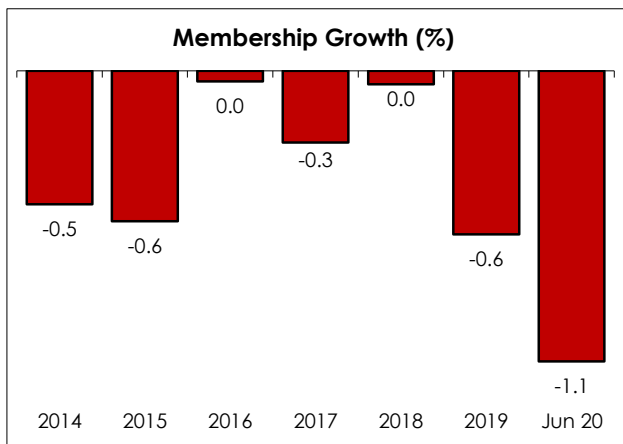
## Interest Margins & Overhead



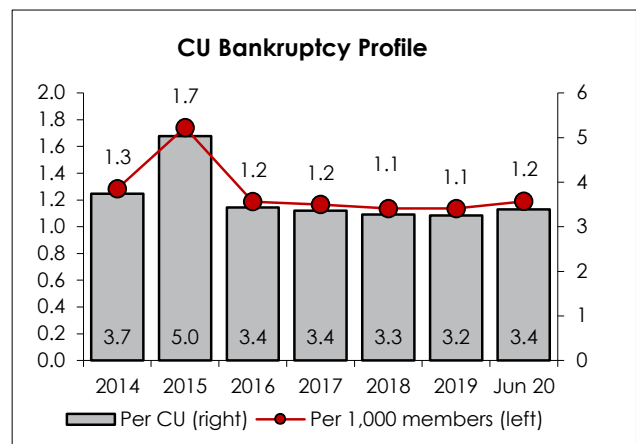
## Noninterest Income



## Membership Growth Trends



## Borrower Bankruptcies



# Small (<\$100M J20) Credit Union Profile

Mid-Year 2020

## Overview: State Results by Asset Size

	Sm	Small (<\$100M J20) Credit Union Asset Groups - 2020						
Demographic Information	Jun 20	< \$ 1 Mil	\$1-\$5	\$5-\$10	\$10-\$20	\$20-\$30	\$30-\$50	> \$50
Number of CUs	3,542	224	544	483	613	426	568	684
Assets per CU (\$ mil)	27.1	0.5	2.9	7.4	14.5	24.7	39.0	72.0
Median assets (\$ mil)	18.0	0.5	2.8	7.2	14.1	24.5	38.1	70.7
Total assets (\$ mil)	96,000	109	1,551	3,565	8,882	10,514	22,124	49,254
Total loans (\$ mil)	48,216	43	753	1,641	4,128	4,958	10,872	25,823
Total surplus funds (\$ mil)	44,264	66	784	1,871	4,541	5,252	10,484	21,266
Total savings (\$ mil)	83,616	86	1,273	3,014	7,643	9,151	19,349	43,100
Total memberships (thousands)	10,086	50	323	550	1,121	1,138	2,231	4,672
<b>Growth Rates</b>								
Total assets	10.1	0.7	3.9	5.6	7.9	9.5	10.2	11.2
Total loans	0.3	-9.5	-4.7	-3.3	-1.9	-0.4	0.4	1.1
Total surplus funds	23.6	8.5	13.6	15.1	19.0	21.2	22.8	27.0
Total savings	11.1	0.6	4.4	6.4	8.9	10.5	11.2	12.2
Total memberships	-1.1	-11.8	-1.9	-1.4	-2.0	-0.7	-0.6	-0.9
% CUs with increasing assets	86.4	50.9	66.2	81.6	90.4	96.0	97.5	98.5
<b>Earnings - Basis Pts.</b>								
Yield on total assets	355	378	398	376	363	353	352	352
Dividend/interest cost of assets	44	25	40	44	42	47	42	45
Net interest margin	311	353	358	332	322	307	309	307
Fee & other income	101	61	61	65	80	86	97	115
Operating expense	353	446	380	349	345	345	348	357
Loss Provisions	22	21	23	27	20	17	22	23
Net Income (ROA) with Stab Exp	38	-53	15	22	37	31	36	42
Net Income (ROA) without Stab Exp	38	-53	15	22	37	31	36	42
% CUs with positive ROA	76.3	57.6	68.6	70.4	77.0	79.1	82.6	85.2
<b>Capital Adequacy</b>								
Net worth/assets	12.1	20.3	17.3	15.0	13.5	12.4	11.9	11.5
% CUs with NW > 7% of assets	95.8	96.4	96.3	95.0	94.6	96.7	95.6	96.5
<b>Asset Quality</b>								
Delinquencies (60+ day \$)/loans (%)	0.87	4.56	1.95	1.49	1.08	0.88	0.87	0.75
Net chargeoffs/average loans (%)	0.41	0.44	0.56	0.51	0.43	0.35	0.40	0.41
Total borrower-bankruptcies	12,002	20	320	696	1,328	1,236	2,816	5,586
Bankruptcies per CU	3.4	0.1	0.6	1.4	2.2	2.9	5.0	8.2
Bankruptcies per 1000 members	1.2	0.4	1.0	1.3	1.2	1.1	1.3	1.2
<b>Asset/Liability Management</b>								
Loans/savings	57.7	49.4	59.1	54.4	54.0	54.2	56.2	59.9
Loans/assets	50.2	39.1	48.5	46.0	46.5	47.2	49.1	52.4
Net Long-term assets/assets	19.4	2.8	4.6	7.6	12.5	16.4	19.3	22.7
Liquid assets/assets	29.3	51.6	39.4	37.3	33.4	31.8	29.7	26.9
Core deposits/shares & borrowings	72.1	94.3	85.8	82.2	79.2	74.2	72.5	69.1
<b>Productivity</b>								
Members/potential members (%)	3	12	10	7	5	3	3	3
Borrowers/members (%)	55	20	35	40	46	65	57	57
Members/FTE	396	388	384	415	436	412	407	378
Average shares/member (\$)	8,290	1,727	3,942	5,475	6,816	8,039	8,673	9,225
Average loan balance (\$)	8,690	4,277	6,574	7,537	8,051	6,674	8,503	9,663
Employees per million in assets	0.27	1.18	0.54	0.37	0.29	0.26	0.25	0.25
<b>Structure</b>								
Fed CUs w/ single-sponsor	15.7	22.8	33.3	25.5	15.2	9.2	7.6	3.8
Fed CUs w/ community charter	15.5	4.0	5.0	8.3	13.5	20.4	22.4	25.6
Other Fed CUs	34.8	46.0	30.0	36.2	41.3	37.3	28.7	31.6
CUs state chartered	34.0	27.2	31.8	30.0	30.0	33.1	41.4	39.0

Earnings, net charge-offs, and bankruptcies are year-to-date numbers annualized. Due to significant seasonal variation, balance sheet growth rates are for the trailing 12 months. U.S. Totals include only credit unions that are released on the NCUA 5300 Call Report file.

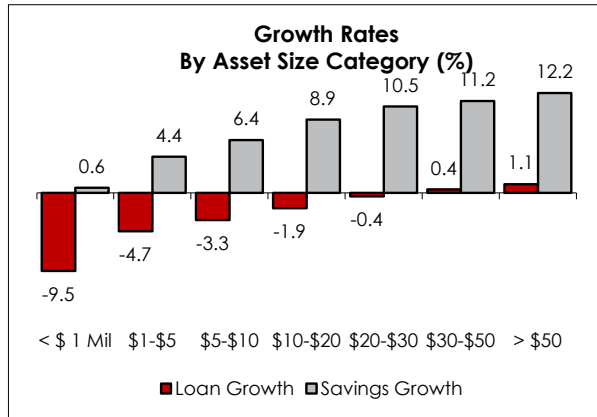
Source: NCUA and CUNA E&S.

# Small (<\$100M J20) Credit Union Profile

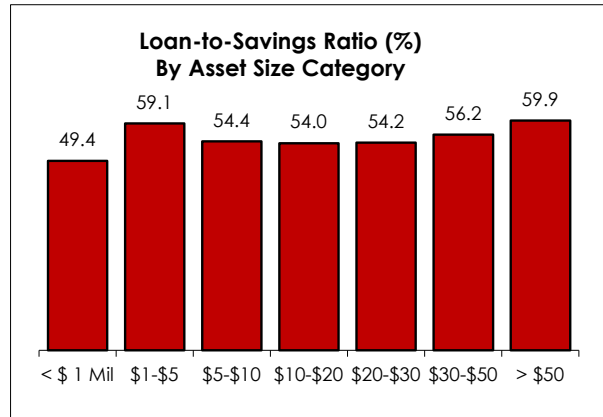
Mid-Year 2020

## Results By Asset Size

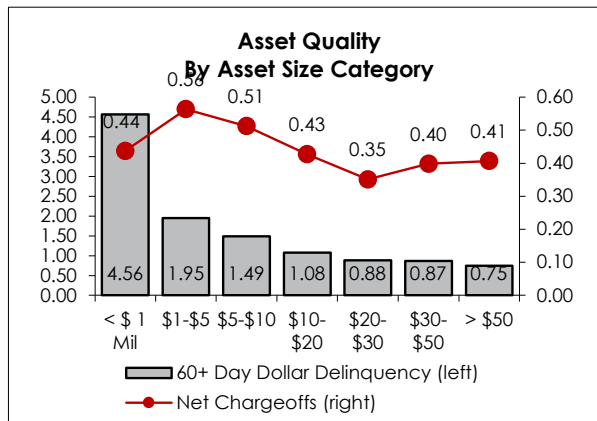
### Loan and Savings growth



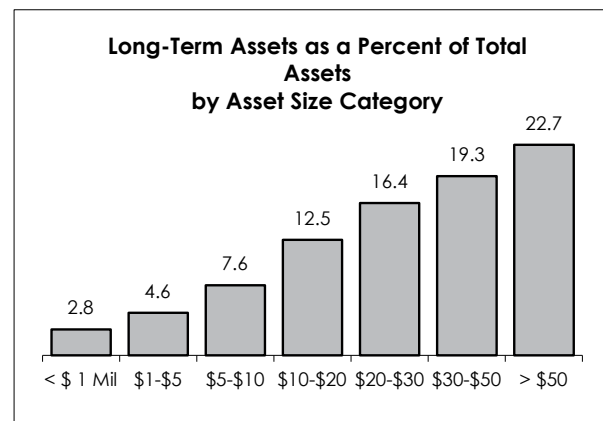
### Liquidity Risk Exposure



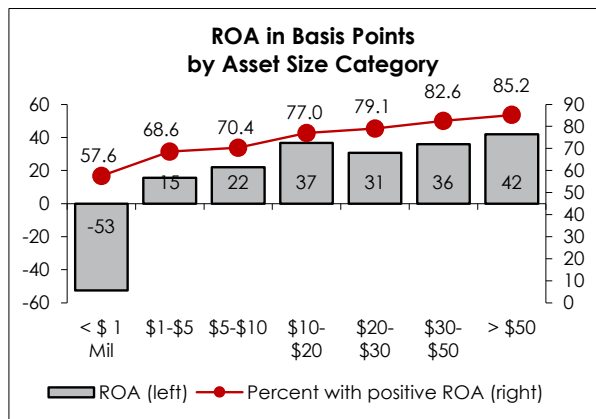
### Credit Risk Exposure



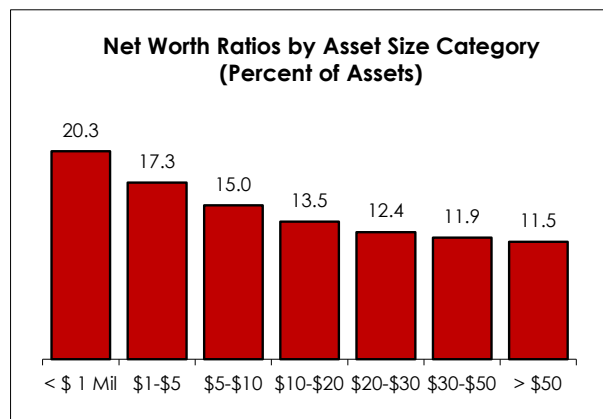
### Interest Rate Risk Exposure



### Earnings



### Solvency



# Small (<\$100M J20) Credit Union Profile

Mid-Year 2020

## Overview: National Results by Asset Size

	U.S.	All U.S. Credit Unions Asset Groups - 2020						
Demographic Information	Jun 20	< \$20Mil	\$20-\$50	\$50-\$100	\$100-\$250	\$250-\$500	\$500-\$1B	> \$1 Bil
Number of CUs	5,271	1,864	994	684	726	366	276	361
Assets per CU (\$ mil)	335.6	7.6	32.8	72.0	158.2	350.6	706.6	3,420.7
Median assets (\$ mil)	40.3	6.7	31.5	70.7	149.1	340.5	693.5	1,935.2
Total assets (\$ mil)	1,769,037	14,108	32,639	49,254	114,828	128,322	195,017	1,234,871
Total loans (\$ mil)	1,161,697	6,564	15,830	25,823	67,789	80,781	128,809	836,101
Total surplus funds (\$ mil)	533,761	7,263	15,735	21,266	41,314	40,850	56,295	351,038
Total savings (\$ mil)	1,507,955	12,016	28,500	43,100	100,769	112,041	168,030	1,043,499
Total memberships (thousands)	123,692	2,045	3,369	4,672	9,789	10,369	14,210	79,239
<b>Growth Rates</b>								
Total assets	15.0	6.8	10.0	11.2	12.6	13.5	14.6	16.7
Total loans	7.1	-2.6	0.2	1.1	3.6	5.1	6.4	8.9
Total surplus funds	38.2	17.3	22.3	27.0	31.8	36.1	39.5	42.2
Total savings	16.4	7.7	11.0	12.2	13.6	14.6	15.8	18.3
Total memberships	3.3	-2.1	-0.7	-0.9	0.6	1.2	2.4	5.7
% CUs with increasing assets	90.5	76.3	96.9	98.5	98.5	99.2	98.9	99.7
<b>Earnings - Basis Pts.</b>								
Yield on total assets	368	370	352	352	357	358	360	372
Dividend/interest cost of assets	79	42	44	45	53	61	67	88
Net interest margin	289	329	308	307	304	297	294	284
Fee & other income	130	74	93	115	127	137	137	132
Operating expense	304	351	347	357	358	355	344	284
Loss Provisions	58	22	20	23	29	33	41	69
Net Income (ROA) with Stab Exp	57	30	34	42	44	45	46	62
Net Income (ROA) without Stab Exp	57	30	34	42	44	45	46	62
% CUs with positive ROA	80.6	70.5	81.1	85.2	86.5	89.1	89.5	95.0
<b>Capital Adequacy</b>								
Net worth/assets	10.5	14.3	12.1	11.5	10.8	10.5	10.3	10.3
% CUs with NW > 7% of assets	96.7	95.4	96.1	96.5	97.8	98.6	98.9	99.7
<b>Asset Quality</b>								
Delinquencies (60+ day \$)/loans (%)	0.57	1.30	0.87	0.75	0.64	0.59	0.60	0.55
Net chargeoffs/average loans (%)	0.52	0.46	0.38	0.41	0.40	0.41	0.44	0.57
Total borrower-bankruptcies	175,728	2,364	4,052	5,586	12,780	14,402	22,226	114,318
Bankruptcies per CU	33.3	1.3	4.1	8.2	17.6	39.3	80.5	316.7
Bankruptcies per 1000 members	1.4	1.2	1.2	1.2	1.3	1.4	1.6	1.4
<b>Asset/Liability Management</b>								
Loans/savings	77.0	54.6	55.5	59.9	67.3	72.1	76.7	80.1
Loans/assets	65.7	46.5	48.5	52.4	59.0	63.0	66.1	67.7
Net Long-term assets/assets	33.4	10.3	18.4	22.7	28.0	30.3	34.6	35.1
Liquid assets/assets	17.7	35.2	30.4	26.9	22.0	19.3	17.0	16.3
Core deposits/shares & borrowings	52.0	80.8	73.1	69.1	63.9	59.7	57.3	47.7
<b>Productivity</b>								
Members/potential members (%)	3	6	3	3	2	3	3	3
Borrowers/members (%)	57	42	60	57	55	55	55	58
Members/FTE	391	420	409	378	344	345	345	415
Average shares/member (\$)	12,191	5,877	8,459	9,225	10,294	10,805	11,825	13,169
Average loan balance (\$)	16,406	7,678	7,831	9,663	12,482	14,090	16,573	18,049
Employees per million in assets	0.18	0.35	0.25	0.25	0.25	0.23	0.21	0.15
<b>Structure</b>								
Fed CUs w/ single-sponsor	11.3	24.0	8.2	3.8	2.6	1.9	2.2	2.2
Fed CUs w/ community charter	17.5	8.5	21.5	25.6	28.5	22.4	19.6	9.4
Other Fed CUs	32.4	37.2	32.4	31.6	27.1	26.0	25.7	31.6
CUs state chartered	38.7	30.2	37.8	39.0	41.7	49.7	52.5	56.8

Earnings, net charge-offs, and bankruptcies are year-to-date numbers annualized. Due to significant seasonal variation, balance sheet growth rates are for the trailing 12 months. U.S. Totals include only credit unions that are released on the NCUA 5300 Call Report file.

Source: NCUA and CUNA E&S.

# Small (<\$100M J20) Credit Union Profile

Mid-Year 2020

## Portfolio: State Trends

	U.S.		Small (<\$100M J20) Credit Unions					
	Jun 20	Jun 20	2019	2018	2017	2016	2015	2014
<b>Growth Rates</b>								
Credit cards	-2.4%	-8.9%	-0.5%	0.0%	0.7%	1.1%	0.0%	1.4%
Other unsecured loans	18.2%	-3.2%	-0.1%	0.6%	3.9%	2.5%	2.3%	3.7%
New automobile	-3.3%	-2.5%	5.0%	12.7%	9.5%	7.8%	7.5%	7.9%
Used automobile	3.8%	-0.3%	3.4%	7.8%	7.0%	7.8%	6.7%	5.2%
First mortgage	12.8%	5.7%	3.2%	4.4%	4.4%	2.8%	3.2%	2.8%
HEL & 2nd Mtg	-2.5%	-3.4%	1.1%	0.7%	3.4%	0.3%	-1.5%	-2.3%
Commercial loans*	17.0%	8.0%	8.3%	3.8%	-12.0%	7.4%	9.9%	6.9%
Share drafts	37.3%	21.5%	5.3%	4.6%	6.7%	5.8%	13.1%	8.5%
Certificates	9.0%	7.5%	9.1%	-1.0%	-3.0%	-2.8%	-6.0%	-7.1%
IRAs	4.2%	-0.3%	-2.8%	-5.0%	-3.8%	-1.1%	-2.9%	-4.0%
Money market shares	15.2%	6.3%	-1.1%	-3.9%	-0.2%	2.4%	0.4%	0.5%
Regular shares	14.9%	11.0%	1.0%	1.6%	3.5%	5.0%	5.1%	4.6%
<b>Portfolio \$ Distribution</b>								
Credit cards/total loans	5.3%	3.3%	3.7%	3.8%	4.0%	4.2%	4.4%	4.6%
Other unsecured loans/total loans	4.6%	8.3%	8.7%	8.9%	9.4%	9.5%	9.7%	9.9%
New automobile/total loans	12.3%	15.7%	16.2%	15.9%	14.9%	14.4%	14.0%	13.6%
Used automobile/total loans	20.2%	30.9%	30.8%	30.7%	30.1%	29.6%	28.8%	28.2%
First mortgage/total loans	43.1%	25.3%	24.1%	24.1%	24.4%	24.6%	25.1%	25.4%
HEL & 2nd Mtg/total loans	7.7%	8.3%	8.5%	8.7%	9.1%	9.3%	9.7%	10.3%
Commercial loans/total loans	7.8%	2.8%	2.7%	2.6%	2.6%	3.1%	3.1%	2.9%
Share drafts/total savings	17.5%	17.2%	15.7%	15.2%	14.7%	14.1%	13.7%	12.6%
Certificates/total savings	19.3%	12.7%	13.8%	13.0%	13.2%	13.9%	14.8%	16.2%
IRAs/total savings	5.5%	4.6%	5.1%	5.3%	5.6%	6.0%	6.3%	6.7%
Money market shares/total savings	20.4%	8.6%	9.0%	9.3%	9.8%	10.0%	10.1%	10.4%
Regular shares/total savings	35.4%	55.0%	54.5%	55.2%	54.8%	54.2%	53.3%	52.4%
<b>Percent of CUs Offering</b>								
Credit cards	62.8%	49.3%	49.4%	49.0%	49.1%	48.8%	48.3%	47.8%
Other unsecured loans	99.4%	99.0%	99.1%	99.2%	99.2%	98.2%	98.0%	98.1%
New automobile	96.0%	94.0%	94.1%	94.1%	94.1%	94.2%	94.4%	94.5%
Used automobile	96.9%	95.5%	95.7%	95.9%	95.8%	95.8%	95.8%	95.8%
First mortgage	70.0%	55.6%	55.4%	55.5%	55.2%	54.5%	54.4%	53.9%
HEL & 2nd Mtg	69.2%	54.7%	55.4%	56.5%	57.8%	58.5%	58.9%	59.5%
Commercial loans	35.5%	15.7%	15.8%	15.8%	16.1%	20.2%	19.9%	19.9%
Share drafts	81.3%	72.3%	72.0%	72.0%	71.8%	71.7%	71.4%	71.2%
Certificates	82.6%	74.7%	74.6%	74.2%	73.9%	73.7%	73.7%	73.6%
IRAs	69.5%	55.5%	55.5%	55.6%	55.9%	56.2%	56.1%	56.6%
Money market shares	53.4%	35.1%	35.1%	34.8%	34.2%	33.9%	33.7%	33.5%
<b>Number of Loans as a Percent of Members in Offering CUs</b>								
Credit cards	18.6%	13.4%	13.6%	13.5%	13.5%	13.5%	13.4%	13.3%
Other unsecured loans	11.0%	14.5%	14.5%	14.5%	14.5%	16.6%	14.2%	14.2%
New automobile	6.1%	7.2%	6.6%	5.1%	3.9%	3.5%	3.2%	3.0%
Used automobile	14.9%	17.2%	16.5%	15.0%	13.2%	12.3%	11.6%	11.2%
First mortgage	2.5%	2.1%	2.1%	2.0%	1.9%	1.9%	1.8%	1.7%
HEL & 2nd Mtg	2.0%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%
Commercial loans	0.3%	0.5%	0.5%	0.5%	0.5%	0.4%	0.4%	0.4%
Share drafts	60.2%	44.5%	44.0%	43.3%	42.1%	41.3%	40.2%	39.3%
Certificates	8.1%	5.2%	5.3%	5.2%	5.4%	5.6%	6.0%	6.4%
IRAs	3.9%	2.8%	2.8%	2.9%	3.1%	3.2%	3.3%	3.4%
Money market shares	7.0%	3.4%	3.4%	3.5%	3.6%	3.7%	3.9%	4.0%

\* Prior to third quarter 2017, these were reported as member business loans. This change may cause fluctuations from prior cycles.

Source: NCUA and CUNA E&S.

# Small (<\$100M J20) Credit Union Profile

Mid-Year 2020

## Portfolio Detail: State Results by Asset Size

	Sm	Small (<\$100M J20) Credit Union Asset Groups - 2020						
	Jun 20	< \$20 Mil	\$20-\$50	\$50-\$100	\$100-\$250	\$250-\$500	\$500-\$1Bil	> \$1Bil
<b>Growth Rates</b>								
Credit cards	-8.9%	-18.0%	-12.6%	-8.9%	-11.2%	-9.7%	-9.2%	-8.3%
Other unsecured loans	-3.2%	-11.5%	-11.3%	-10.2%	-5.8%	-5.3%	-3.3%	0.4%
New automobile	-2.5%	-9.7%	-3.1%	-2.3%	-1.1%	-1.1%	-1.8%	-3.4%
Used automobile	-0.3%	-7.6%	-3.1%	-1.3%	-1.3%	-0.1%	-0.5%	0.2%
First mortgage	5.7%	-20.9%	-0.5%	-3.5%	1.1%	2.2%	5.2%	6.9%
HEL & 2nd Mtg	-3.4%	-3.1%	-11.9%	-6.6%	-6.1%	-3.6%	-1.8%	-3.7%
Commercial loans*	8.0%	-100.0%	8.5%	-1.5%	5.7%	4.5%	8.0%	8.5%
Share drafts	21.5%	-80.3%	33.2%	19.7%	18.2%	19.9%	20.9%	22.4%
Certificates	7.5%	-1.7%	5.8%	5.5%	7.8%	7.9%	8.0%	7.4%
IRAs	-0.3%	-26.2%	-4.8%	-3.4%	-3.6%	-1.2%	-0.4%	0.4%
Money market shares	6.3%		-11.0%	3.0%	4.8%	6.5%	4.5%	7.2%
Regular shares	11.0%	1.8%	3.8%	5.7%	8.5%	10.6%	11.2%	12.6%
<b>Portfolio \$ Distribution</b>								
Credit cards/total loans	3.3%	0.4%	0.8%	1.8%	2.7%	3.1%	3.5%	3.5%
Other unsecured loans/total loans	8.3%	35.8%	21.0%	16.1%	12.5%	9.6%	7.8%	6.6%
New automobile/total loans	15.7%	16.7%	25.0%	24.7%	21.8%	16.9%	15.4%	13.7%
Used automobile/total loans	30.9%	35.1%	39.9%	39.1%	34.8%	32.6%	30.7%	29.3%
First mortgage/total loans	25.3%	0.4%	2.9%	5.6%	12.5%	21.3%	25.7%	29.8%
HEL & 2nd Mtg/total loans	8.3%	0.5%	1.3%	3.4%	6.1%	7.6%	8.8%	9.0%
Commercial loans/total loans	2.8%	0.0%	0.5%	0.6%	0.7%	1.8%	1.7%	4.0%
Share drafts/total savings	17.2%	0.1%	3.3%	8.2%	12.7%	15.8%	17.8%	19.2%
Certificates/total savings	12.7%	2.7%	9.1%	10.7%	11.7%	12.7%	11.9%	13.5%
IRAs/total savings	4.6%	0.7%	1.3%	2.3%	2.9%	4.3%	4.7%	5.1%
Money market shares/total savings	8.6%	0.0%	1.1%	2.2%	4.0%	6.6%	8.9%	10.4%
Regular shares/total savings	55.0%	94.3%	82.7%	74.0%	66.6%	58.3%	54.8%	50.1%
<b>Percent of CUs Offering</b>								
Credit cards	49.3%	1.3%	7.0%	23.8%	44.9%	66.9%	77.8%	85.8%
Other unsecured loans	99.0%	95.1%	97.4%	99.2%	99.5%	99.5%	100.0%	100.0%
New automobile	94.0%	41.1%	89.9%	97.3%	98.9%	99.3%	99.8%	100.0%
Used automobile	95.5%	56.3%	92.5%	97.5%	98.9%	99.5%	99.8%	100.0%
First mortgage	55.6%	1.3%	9.2%	25.7%	52.9%	77.0%	86.8%	94.4%
HEL & 2nd Mtg	54.7%	1.3%	7.4%	29.8%	53.2%	74.6%	84.5%	91.8%
Commercial loans	15.7%	0.0%	2.4%	5.0%	8.0%	15.5%	23.4%	39.8%
Share drafts	72.3%	1.3%	22.8%	59.6%	82.7%	94.6%	98.1%	99.3%
Certificates	74.7%	9.4%	43.2%	63.1%	80.8%	92.3%	94.4%	96.5%
IRAs	55.5%	3.1%	13.4%	33.1%	52.0%	73.7%	83.8%	90.2%
Money market shares	35.1%	0.0%	5.5%	11.6%	22.8%	45.3%	59.2%	71.6%
<b>Number of Loans as a Percent of Members in Offering CUs</b>								
Credit cards	13.4%	13.4%	14.2%	12.8%	13.4%	13.1%	13.4%	13.5%
Other unsecured loans	14.5%	13.6%	19.4%	18.0%	16.1%	14.8%	15.0%	13.0%
New automobile	7.2%	2.5%	3.4%	4.0%	5.5%	12.6%	7.3%	6.9%
Used automobile	17.2%	6.0%	9.6%	11.0%	13.0%	23.0%	17.6%	17.8%
First mortgage	2.1%	1.2%	1.2%	1.3%	1.2%	1.8%	1.7%	2.4%
HEL & 2nd Mtg	1.5%	0.5%	1.1%	1.1%	1.2%	1.3%	1.5%	1.6%
Commercial loans	0.5%		1.3%	0.9%	0.7%	0.7%	0.6%	0.4%
Share drafts	44.5%	21.8%	21.4%	27.9%	35.3%	41.9%	45.2%	48.6%
Certificates	5.2%	5.4%	4.7%	4.8%	4.7%	5.4%	4.9%	5.5%
IRAs	2.8%	1.8%	2.0%	2.1%	2.2%	2.7%	2.6%	3.0%
Money market shares	3.4%		3.5%	3.1%	3.9%	3.7%	3.5%	3.4%

\* Prior to third quarter 2017, these were reported as member business loans. This change may cause fluctuations from prior cycles.

Source: NCUA and CUNA E&S.

# Small (<\$100M J20) Credit Union Profile

Mid-Year 2020

## Portfolio Detail: National Results by Asset Size

	U.S.	All U.S. Credit Unions Asset Groups - 2020						
	Jun 20	< \$20 Mil	\$20-\$50	\$50-\$100	\$100-\$250	\$250-\$500	\$500-\$1Bil	> \$1Bil
<b>Growth Rates</b>								
Credit cards	-2.4%	-10.8%	-9.3%	-8.3%	-7.0%	-7.4%	-7.6%	-0.7%
Other unsecured loans	18.2%	-8.1%	-4.0%	0.4%	6.8%	13.3%	17.9%	24.2%
New automobile	-3.3%	-1.7%	-1.6%	-3.4%	-3.4%	-1.6%	-4.6%	-2.5%
Used automobile	3.8%	-1.6%	-0.4%	0.2%	1.8%	2.4%	2.3%	6.1%
First mortgage	12.8%	0.3%	4.3%	6.9%	9.7%	11.7%	13.3%	13.9%
HEL & 2nd Mtg	-2.5%	-6.4%	-2.3%	-3.7%	-3.0%	-3.5%	-2.9%	-1.3%
Commercial loans*	17.0%	4.2%	6.8%	8.5%	13.0%	15.3%	16.6%	18.1%
Share drafts	37.3%	18.9%	20.6%	22.4%	23.9%	23.3%	26.2%	47.4%
Certificates	9.0%	7.0%	8.0%	7.4%	7.2%	9.3%	10.3%	9.4%
IRAs	4.2%	-3.7%	-0.6%	0.4%	1.4%	2.9%	3.4%	5.5%
Money market shares	15.2%	3.8%	5.0%	7.2%	9.5%	10.2%	11.5%	17.3%
Regular shares	14.9%	7.1%	11.0%	12.6%	15.3%	17.1%	17.3%	16.1%
<b>Portfolio \$ Distribution</b>								
Credit cards/total loans	5.3%	2.2%	3.4%	3.5%	3.3%	3.7%	3.4%	6.0%
Other unsecured loans/total loans	4.6%	14.5%	8.4%	6.6%	5.3%	5.0%	4.6%	4.2%
New automobile/total loans	12.3%	22.9%	15.9%	13.7%	12.3%	12.7%	11.9%	12.2%
Used automobile/total loans	20.2%	36.4%	31.3%	29.3%	26.8%	25.5%	23.0%	18.2%
First mortgage/total loans	43.1%	9.6%	24.3%	29.8%	35.0%	36.9%	41.6%	45.6%
HEL & 2nd Mtg/total loans	7.7%	4.8%	8.4%	9.0%	8.5%	9.1%	8.3%	7.4%
Commercial loans/total loans	7.8%	0.7%	1.8%	4.0%	5.8%	7.0%	9.9%	8.0%
Share drafts/total savings	17.5%	10.5%	17.1%	19.2%	20.6%	21.0%	21.9%	16.1%
Certificates/total savings	19.3%	11.1%	12.2%	13.5%	15.4%	17.2%	18.3%	20.6%
IRAs/total savings	5.5%	2.6%	4.6%	5.1%	5.3%	5.2%	5.1%	5.8%
Money market shares/total savings	20.4%	3.2%	8.2%	10.4%	13.3%	15.8%	16.7%	23.1%
Regular shares/total savings	35.4%	70.4%	55.9%	50.1%	43.5%	39.1%	36.3%	32.5%
<b>Percent of CUs Offering</b>								
Credit cards	62.8%	23.1%	73.1%	85.8%	87.6%	90.2%	94.6%	93.9%
Other unsecured loans	99.4%	98.3%	99.8%	100.0%	100.0%	100.0%	100.0%	100.0%
New automobile	96.0%	88.9%	99.6%	100.0%	99.9%	100.0%	99.6%	100.0%
Used automobile	96.9%	91.5%	99.7%	100.0%	99.7%	100.0%	100.0%	99.7%
First mortgage	70.0%	26.9%	82.6%	94.4%	98.9%	100.0%	100.0%	99.7%
HEL & 2nd Mtg	69.2%	27.5%	80.3%	91.8%	97.5%	99.2%	100.0%	100.0%
Commercial loans	35.5%	4.6%	20.0%	39.8%	64.2%	77.9%	86.6%	89.2%
Share drafts	81.3%	49.5%	96.6%	99.3%	99.3%	100.0%	100.0%	99.4%
Certificates	82.6%	56.7%	93.5%	96.5%	98.6%	99.2%	99.3%	98.9%
IRAs	69.5%	30.0%	79.5%	90.2%	96.8%	98.6%	99.6%	99.4%
Money market shares	53.4%	12.1%	53.2%	71.6%	86.1%	92.6%	93.1%	96.1%
<b>Number of Loans as a Percent of Members in Offering CUs</b>								
Credit cards	18.6%	13.3%	13.3%	13.5%	14.3%	15.7%	15.5%	20.6%
Other unsecured loans	11.0%	17.1%	14.9%	13.0%	11.8%	10.9%	10.2%	10.6%
New automobile	6.1%	4.8%	9.1%	6.9%	5.2%	5.4%	5.6%	6.2%
Used automobile	14.9%	11.8%	19.5%	17.8%	16.2%	16.2%	15.9%	14.2%
First mortgage	2.5%	1.2%	1.7%	2.4%	2.8%	2.6%	2.6%	2.5%
HEL & 2nd Mtg	2.0%	1.2%	1.4%	1.6%	1.8%	2.0%	2.0%	2.0%
Commercial loans	0.3%	0.7%	0.6%	0.4%	0.4%	0.5%	0.3%	0.2%
Share drafts	60.2%	32.4%	44.1%	48.6%	54.5%	56.4%	59.1%	63.5%
Certificates	8.1%	4.7%	5.1%	5.5%	6.4%	6.8%	7.2%	9.0%
IRAs	3.9%	2.1%	2.7%	3.0%	3.3%	3.4%	3.6%	4.2%
Money market shares	7.0%	3.7%	3.5%	3.4%	4.3%	4.6%	5.2%	8.2%

\* Prior to third quarter 2017, these were reported as member business loans. This change may cause fluctuations from prior cycles.

Source: NCUA and CUNA E&S.



# Small (<\$100M J20) Credit Union Profile

Mid-Year 2020

## Small (<\$100M J20) CU Profile - Quarterly Trends

	U.S.	Small (<\$100M J20) Credit Unions				
	Jun 20	Jun 20	Mar 20	Dec 19	Sep 19	Jun 19
<b>Demographic Information</b>						
Number CUs	5,272	3,542	3,542	3,542	3,540	3,540
<b>Growth Rates (Quarterly % Change)</b>						
Total loans	1.9	-0.1	-1.1	0.3	1.0	1.6
Credit cards	-5.4	-6.6	-5.5	2.5	0.7	0.7
Other unsecured loans	13.8	-1.7	-4.4	2.1	0.8	1.1
New automobile	-2.2	-2.5	-2.0	0.4	1.6	1.8
Used automobile	1.6	0.1	-0.8	-0.4	0.9	1.9
First mortgage	3.6	2.1	1.3	1.1	1.1	0.8
HEL & 2nd Mtg	-2.7	-2.2	-2.0	0.1	0.6	0.8
Commercial loans*	4.1	2.0	1.2	1.9	2.7	2.9
Total savings	8.4	7.7	3.3	0.7	-0.8	-0.4
Share drafts	14.9	15.4	6.0	1.6	-2.3	-1.5
Certificates	-2.0	-0.3	2.6	2.8	2.2	1.5
IRAs	1.1	0.7	0.0	-0.5	-0.5	-1.1
Money market shares	8.2	4.6	1.3	0.8	-0.4	-1.1
Regular shares	13.4	8.8	3.2	0.1	-1.2	-0.4
Total memberships	0.9	-0.2	-0.3	-0.2	-0.4	0.1
<b>Earnings (Basis Points)</b>						
Yield on total assets	359	343	375	391	395	387
Dividend/interest cost of assets	73	43	47	51	47	44
Fee & other income	133	99	106	119	119	117
Operating expense	297	345	368	386	373	366
Loss Provisions	64	21	24	31	27	26
Net Income (ROA)	61	33	43	42	67	67
% CUs with positive ROA	81	76	77	84	86	86
<b>Capital Adequacy (%)</b>						
Net worth/assets	10.5	12.1	12.9	13.1	13.1	12.8
% CUs with NW > 7% of assets	96.8	95.9	97.7	98.3	98.2	98.0
<b>Asset Quality (%)</b>						
Loan delinquency rate - Total loans	0.58	0.87	0.93	1.01	0.94	0.93
Total Consumer	0.62	0.89	1.02	1.08	0.99	0.96
Credit Cards	1.01	1.16	1.32	1.35	1.28	1.28
All Other Consumer	0.58	0.88	1.01	1.07	0.98	0.94
Total Mortgages	0.54	0.82	0.73	0.84	0.84	0.86
First Mortgages	0.53	0.82	0.71	0.85	0.86	0.84
All Other Mortgages	0.60	0.82	0.80	0.83	0.79	0.91
Total Commercial Loans	0.98	1.63	0.94	0.76	0.91	1.15
Commercial Ag Loans	1.54	1.64	0.86	0.57	0.70	0.71
All Other Commercial Loans	0.96	1.63	0.97	0.82	0.99	1.30
Net chargeoffs/average loans	0.48	0.38	0.44	0.53	0.47	0.48
Total Consumer	0.99	0.55	0.64	0.75	0.69	0.68
Credit Cards	3.25	1.51	1.58	1.71	1.65	1.64
All Other Consumer	0.70	0.50	0.59	0.70	0.64	0.63
Total Mortgages	0.01	0.03	0.03	0.06	0.03	0.05
First Mortgages	0.01	0.03	0.02	0.04	0.03	0.03
All Other Mortgages	-0.01	0.03	0.04	0.10	0.00	0.11
Total Commercial Loans	0.22	0.18	0.06	1.10	0.94	0.88
Commercial Ag Loans	0.04	0.25	-0.03	0.01	0.28	0.00
All Other Commercial Loans	0.22	0.16	0.09	1.45	1.15	1.17
<b>Asset/Liability Management</b>						
Loans/savings	76.2	57.6	62.1	64.8	65.0	63.9

Earnings & net charge-offs are annualized quarterly results not seasonally adjusted. Growth rates are not annualized. Delinquency rates are 60+ day dollar delinquencies. Net charge-offs are dollar charge-offs net of recoveries. Totals include only credit unions that are released on the NCUA 5300 Call Report file.

\* Prior to third quarter 2017, these were reported as member business loans. This change may cause fluctuations from prior cycles.

Source: NCUA and CUNA E&S.