### **U.S. Credit Union Overview**

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

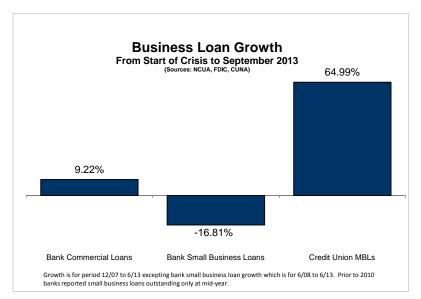
Capital to Assets:

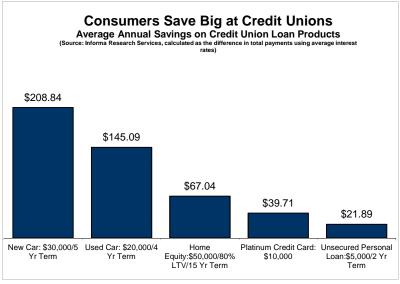
As of September 2013. Sources: NCUA, CUNA.

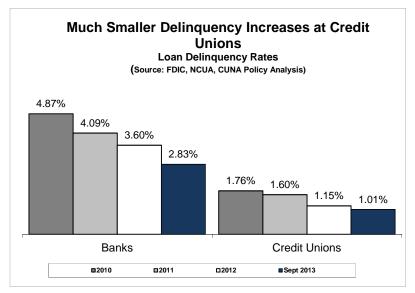
Number of U.S. Credit Unions: 6,749
Consumer Member-Owners: 97 million
Assets: \$1,070 billion
Loans: \$642 billion
Consumer Savings: \$918 billion

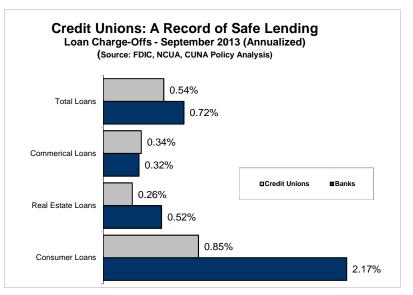
10.7%











## **Credit Union Member Business Lending Overview**

As of September 2013. Sources: FDIC, NCUA, CUNA.



#### **National Overview**

Number of CUs with MBLs 2,262
Total CU MBLs outstanding \$46,108,756,299
Average size of CU MBLs \$219,678
MBLs: % of Assets at offering CUs 5%

12 Month Loan Growth:

Credit union MBLs\* 9%

#### **West Virginia**

Number of CUs with MBLs 15
Total CU MBLs outstanding \$84,286,919
Average size of CU MBLs \$163,982
MBLs: % of Assets at offering CUs 4%

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

_	Net Chargeoffs				
_	Commercial Bank				
	Credit Union	Commercial &			
	MBLs	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%			
Q3 2013	<u>0.33%</u>	<u>0.35%</u>			
Avg. since '97	0.28%	0.85%			
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	Number	Average	Unused Capacity	Unused Capacity
% of Assets	of CUs	Asset Size	Under Current Cap	If $Cap = 27.5\%$
>0.0% to 5.0%	1,111	\$465,807,890	\$54,583,108,270	\$133,503,774,568
5.0% to 7.5%	180	\$499,600,929	\$5,516,945,894	\$19,230,991,399
7.5% to 10.0%	161	\$529,234,780	\$3,061,965,306	\$16,056,002,239
10.0% to 12.5%	80	\$541,423,679	\$499,869,011	\$7,105,237,899
12.5%+	21	\$587,378,655		\$1,572,725,818

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 \$13.2 billion in new MBLs in the first year

New MBLs in the first year in your state: \$27,767,258

\* Will produce an estimated 144,000 new jobs using CEA job multiplier

Number of new jobs in your state:

30

No cost to taxpayers

<sup>\*</sup>MBLs are among the fastest-growing segments of CU loan portfolios