

2011 FIRST QUARTER CREDIT UNION BULLETIN

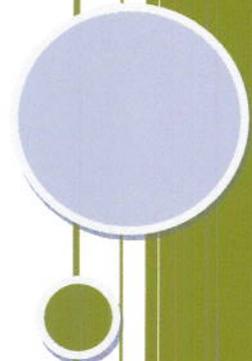
This bulletin highlights the 2011 first quarter financial trends for Wisconsin's 220 state-chartered credit unions. The analysis is based on data compiled from the March 2011 call reports. This information is provided to keep you informed of current conditions and trends in the Wisconsin credit union industry.

Total assets increased to \$21.3 billion, up from \$20.7 billion as of yearend 2010. The net worth ratio remained strong at 9.83%. Net income was \$27.8 million compared to \$22.9 million as of March 31, 2010. The return on average assets ratio was 0.53% compared to 0.46% for the first quarter of 2010.

Loans outstanding declined slightly in the first quarter while savings continued to grow resulting in a loan to savings ratio of 84.9%. The delinquency ratio was 1.90% compared to 1.87% as of December 31, 2010.

Overall, Wisconsin credit unions continue to perform well based on the financial results filed as of March 31, 2011.

Ginger Larson, Director
Office of Credit Unions



**COMPARISON STATEMENTS OF CONDITION
OF WISCONSIN CREDIT UNIONS
MARCH 31, 2011 and DECEMBER 31, 2010**

	<u>March 31, 2011</u>		<u>December 31, 2010</u>		<u>Increase or Decrease</u>	<u>% Change</u>
Number of Credit Unions	220		223		-3	-1.3%
	<u>AMOUNT</u>	<u>% OF ASSETS</u>	<u>AMOUNT</u>	<u>% OF ASSETS</u>		
ASSETS						
Personal Loans	5,566,739,083	26.2%	5,629,412,171	27.2%	-62,673,088	-1.1%
Real Estate Loans	10,161,168,296	47.8%	10,132,251,425	49.0%	28,916,871	0.3%
Total Loans	<u>15,727,907,379</u>	74.0%	<u>15,761,663,596</u>	76.2%	-33,756,217	-0.2%
Allowance for Loan Losses	<u>176,567,973</u>	0.8%	<u>175,430,497</u>	0.8%	1,137,476	0.6%
Net Loans	15,551,339,406	73.1%	15,586,233,099	75.3%	-34,893,693	-0.2%
Cash	2,078,859,698	9.8%	1,576,233,567	7.6%	502,626,131	31.9%
Investments	2,441,585,829	11.5%	2,253,009,075	10.9%	188,576,754	8.4%
Fixed Assets	638,351,300	3.0%	642,431,825	3.1%	-4,080,525	-0.6%
Other Assets	<u>557,678,468</u>	2.6%	<u>627,511,480</u>	3.0%	-69,833,012	-11.1%
TOTAL ASSETS	<u><u>21,267,814,701</u></u>	100.0%	<u><u>20,685,419,046</u></u>	100.0%	<u><u>582,395,655</u></u>	2.8%
LIABILITIES						
Regular Shares	4,504,335,321	21.2%	4,144,094,488	20.0%	360,240,833	8.7%
Share Drafts	2,453,922,874	11.5%	2,361,380,510	11.4%	92,542,364	3.9%
Other Shares & Deposits	<u>11,650,373,410</u>	54.8%	<u>11,487,522,254</u>	55.5%	162,851,156	1.4%
Total Savings	18,608,631,605	87.5%	17,992,997,252	87.0%	615,634,353	3.4%
Notes and Accounts Pay.	582,683,046	2.7%	643,383,287	3.1%	-60,700,241	-9.4%
Regular Reserve	825,564,451	3.9%	817,327,298	4.0%	8,237,153	1.0%
Other Reserves	<u>1,250,935,599</u>	5.9%	<u>1,231,711,209</u>	6.0%	19,224,390	1.6%
TOTAL LIABILITIES	<u><u>21,267,814,701</u></u>	100.0%	<u><u>20,685,419,046</u></u>	100.0%	<u><u>582,395,655</u></u>	2.8%

Note: Some small statistical errors may occur due to rounding.

**STATEMENT OF INCOME
FOR WISCONSIN CREDIT UNIONS
FOR THE PERIOD ENDING MARCH 31, 2011**

	<u>AMOUNT</u>	<u>% OF GROSS INCOME</u>	<u>% OF AVERAGE ASSETS</u>
INCOME			
Interest on Loans	210,969,879	73.14%	4.02%
Less: Interest Refunds	<u>39,187</u>	0.01%	0.00%
Net Interest Income	210,930,692	73.12%	4.02%
Income on Investments	11,781,530	4.08%	0.22%
Other Income	<u>65,741,671</u>	22.79%	1.25%
TOTAL OPERATING INCOME	288,453,893	100.00%	5.50%
ADMINISTRATIVE EXPENSES			
Employee Costs	92,501,365	32.07%	1.76%
Travel and Conference	1,602,558	0.56%	0.03%
Office Occupancy	14,300,863	4.96%	0.27%
General Operations	31,513,782	10.93%	0.60%
Education and Promotion	5,645,240	1.96%	0.11%
Loan Servicing	14,062,105	4.87%	0.27%
Professional Services	11,169,858	3.87%	0.21%
Member Insurance	10,887,833	3.77%	0.21%
Operating Fees	724,407	0.25%	0.01%
Other Operational Expenses	<u>4,551,488</u>	1.58%	0.09%
TOTAL ADMINISTRATIVE	186,959,499	64.81%	3.57%
Provision for Loan Loss	<u>25,586,783</u>	8.87%	0.49%
TOTAL OPERATING EXPENSES	212,546,282	73.68%	4.05%
COST OF ACQUISITION OF FUNDS			
Dividends Paid on Savings	45,552,180	15.79%	0.87%
Interest on Borrowed Funds	<u>3,412,490</u>	1.18%	0.07%
TOTAL COST OF FUNDS	48,964,670	16.97%	0.93%
TOTAL EXPENSES	261,510,952	90.66%	4.99%
NET OPERATING INCOME	26,942,941	9.34%	0.51%
NON-OPERATING GAIN/LOSS	<u>884,772</u>	0.31%	0.02%
NET INCOME	27,827,713	9.65%	0.53%
NCUA PREMIUMS AND ASSESSMENTS	5,751,529	1.99%	0.11%
NET INCOME (LOSS)	33,579,242	11.64%	0.64%

Note: Some small statistical errors may occur due to rounding.

**COMPARISON STATEMENTS OF INCOME
FOR WISCONSIN CREDIT UNIONS
FOR THE PERIODS ENDING MARCH 31, 2011 AND MARCH 31, 2010**

	2011	% OF AVERAGE ASSETS	2010	% OF AVERAGE ASSETS
	<u>AMOUNT</u>		<u>AMOUNT</u>	
INCOME				
Interest on Loans	210,969,879	4.02%	216,528,200	4.35%
Less: Interest Refunds	<u>39,187</u>	<u>0.00%</u>	<u>40,303</u>	<u>0.00%</u>
Net Interest Income	210,930,692	4.02%	216,487,897	4.35%
Income on Investments	11,781,530	0.22%	12,936,628	0.26%
Other Income	<u>65,741,671</u>	<u>1.25%</u>	<u>62,429,932</u>	<u>1.25%</u>
TOTAL OPERATING INCOME	288,453,893	5.50%	291,854,457	5.87%
ADMINISTRATIVE EXPENSES				
Employee Costs	92,501,365	1.76%	89,223,952	1.79%
Travel and Conference	1,602,558	0.03%	1,850,268	0.04%
Office Occupancy	14,300,863	0.27%	13,002,259	0.26%
General Operations	31,513,782	0.60%	30,663,843	0.62%
Education and Promotion	5,645,240	0.11%	5,433,496	0.11%
Loan Servicing	14,062,105	0.27%	13,067,771	0.26%
Professional Services	11,169,858	0.21%	11,528,536	0.23%
Member Insurance	10,887,833	0.21%	7,707,365	0.15%
Operating Fees	724,407	0.01%	761,799	0.02%
Other Operational Expenses	<u>4,551,488</u>	<u>0.09%</u>	<u>5,958,031</u>	<u>0.12%</u>
TOTAL ADMINISTRATIVE	186,959,499	3.57%	179,197,320	3.60%
Provision for Loan Loss	<u>25,586,783</u>	<u>0.49%</u>	<u>24,574,240</u>	<u>0.49%</u>
TOTAL OPERATING EXPENSES	212,546,282	4.05%	203,771,560	4.10%
COST OF ACQUISITION OF FUNDS				
Dividends Paid on Savings	45,552,180	0.87%	60,726,902	1.22%
Interest on Borrowed Funds	<u>3,412,490</u>	<u>0.07%</u>	<u>4,788,979</u>	<u>0.10%</u>
TOTAL COST OF FUNDS	48,964,670	0.93%	65,515,881	1.32%
TOTAL EXPENSES	261,510,952	4.99%	269,287,441	5.41%
NET OPERATING INCOME	26,942,941	0.51%	22,567,016	0.45%
NON-OPERATING GAIN/LOSS	<u>884,772</u>	<u>0.02%</u>	<u>308,069</u>	<u>0.01%</u>
NET INCOME	27,827,713	0.53%	22,875,085	0.46%
NCUA PREMIUMS & ASSESSMENTS	5,751,529	0.11%	0	0.00%
NET INCOME (LOSS)	33,579,242	0.64%	22,875,085	0.46%

Note: Some small statistical errors may occur due to rounding.

**SIGNIFICANT OPERATIONAL RATIOS
FOR ALL WISCONSIN CREDIT UNIONS
2006-2011**

	2006	2007	2008	2009	2010	2011
Number of Credit Unions	267	260	250	236	223	220
CAPITAL ADEQUACY						
Net Worth/Total Assets	11.17%	11.19%	10.68%	10.08%	9.99%	9.83%
Total Delinquency/Net Worth	7.91%	9.17%	10.96%	15.53%	14.30%	14.30%
Solvency Evaluation	113.20%	113.21%	112.58%	111.55%	111.38%	111.15%
Classified Assets/Net Worth	4.71%	5.11%	5.94%	7.91%	8.49%	8.44%
ASSET QUALITY						
Delinquent Loans/Loans	1.09%	1.27%	1.44%	2.01%	1.87%	1.90%
Net Charge Offs/Avg. Loans	0.31%	0.31%	0.38%	0.66%	0.60%	0.78%
EARNINGS (to Average Assets)						
Return on Average Assets	0.70%	0.70%	0.53%	0.46%	0.47%	0.53%
Net Operating Expense	2.84%	2.85%	2.87%	2.78%	3.00%	2.92%
Fixed Assets+FRA's**/Assets	3.00%	3.08%	2.99%	3.11%	3.11%	3.00%
Gross Income	7.01%	7.44%	7.07%	6.47%	6.02%	5.50%
Cost of Funds	2.45%	2.79%	2.38%	1.71%	1.19%	0.93%
Operating Exp. (less PLL)	3.62%	3.65%	3.66%	3.54%	3.67%	3.57%
Net Interest Margin	3.31%	3.33%	3.35%	3.25%	3.37%	3.31%
PLL	0.28%	0.32%	0.42%	0.73%	0.63%	0.49%
ASSET-LIABILITY MANAGEMENT						
Net Long Term Assets/Assets	26.32%	28.34%	39.03%	31.32%	30.42%	30.66%
Shares/Savings+Borrowings	22.82%	20.63%	20.04%	20.48%	22.80%	24.04%
Loans/Savings	96.66%	95.90%	97.48%	90.69%	88.05%	84.91%
Loans/Assets	81.21%	80.57%	81.08%	78.04%	76.20%	73.95%
Cash + ST Invest./Assets	9.79%	10.12%	9.04%	11.41%	11.86%	14.00%
OTHER RATIOS						
Savings Growth	6.62%	5.57%	8.98%	11.58%	6.92%	13.69%
Net Worth Growth	6.26%	5.92%	4.83%	4.09%	5.76%	5.07%
Loan Growth	5.66%	4.87%	10.61%	4.38%	3.23%	-0.86%
Asset Growth	5.75%	5.72%	9.91%	8.63%	5.71%	11.26%
Investments/Assets	7.74%	8.04%	8.67%	10.59%	10.89%	11.48%
Employee Cost/Gross Inc.	27.16%	25.83%	27.14%	28.68%	29.86%	32.07%
Employee Cost/ Avg. Assets	1.90%	1.92%	1.92%	1.86%	1.80%	1.76%
Average Loan Balance	\$11,030	\$11,306	\$11,777	\$11,535	\$11,706	\$11,881
Average Savings Balance	\$3,386	\$3,473	\$3,661	\$4,023	\$4,211	\$4,317

Note: Some small statistical errors may occur due to rounding.

**Foreclosed and Repossessed Assets

**SIGNIFICANT OPERATIONAL RATIOS
FOR THE PERIOD ENDING MARCH 31, 2011**

Peer Groups by Assets	\$ 2,000,001-		\$ 10,000,001-		\$ 50,000,001-		\$ 100,000,001-	
	<\$2,000,000	\$10,000,000	\$50,000,000	\$100,000,000	\$500,000,000	>\$500,000,000	TOTAL	
Number of Credit Unions	39	35	82	22	33	9	220	
CAPITAL ADEQUACY								
Net Worth/Total Assets	21.01%	16.21%	11.92%	10.96%	10.26%	8.92%	9.83%	
Net Worth/PCA Optional Total Assets	21.01%	16.22%	11.93%	10.96%	10.27%	8.93%	9.84%	
Total Delinquency/Net Worth	8.84%	7.29%	9.10%	8.30%	15.71%	15.80%	14.30%	
Solvency Evaluation	126.70%	119.62%	113.48%	112.37%	111.71%	110.08%	111.15%	
Classified Assets/Net Worth	5.72%	3.91%	6.35%	5.35%	9.26%	9.04%	8.44%	
ASSET QUALITY								
Delinquent Loans/Loans	3.49%	2.16%	1.73%	1.32%	2.13%	1.85%	1.90%	
Net Charge Offs/Avg. Loans	0.01%	0.14%	0.48%	0.36%	0.48%	1.06%	0.78%	
Fair Value/Amortized Cost for HTM	N/A	99.80%	99.97%	99.36%	98.85%	101.36%	99.37%	
Losses on AFS/Amortized Cost AFS	N/A	N/A	0.39%	0.77%	-1.17%	0.31%	0.13%	
Delinquent Loans/Assets	1.86%	1.18%	1.08%	0.91%	1.61%	1.41%	1.41%	
EARNINGS (to Average Assets)								
Return on Average Assets	-0.14%	-0.12%	0.06%	0.36%	0.54%	0.64%	0.53%	
ROAA Excluding NCUA expenses	-0.08%	0.02%	0.26%	0.54%	0.71%	0.69%	0.64%	
Gross Income	3.99%	4.44%	5.02%	5.34%	5.67%	5.53%	5.50%	
Yield on Average Loans	6.39%	6.23%	5.92%	5.72%	5.48%	5.15%	5.36%	
Yield on Average Investments	0.97%	1.33%	1.31%	1.59%	1.19%	1.07%	1.18%	
Fee & Other Op. Income	0.09%	0.42%	0.83%	0.96%	1.28%	1.37%	1.25%	
Cost of Funds	0.55%	0.58%	0.64%	0.84%	0.98%	0.98%	0.93%	
Net Margin	3.44%	3.86%	4.38%	4.50%	4.69%	4.55%	4.57%	
Operating Exp. (less PLL)	3.58%	3.64%	4.01%	3.71%	3.80%	3.33%	3.57%	
PLL	0.10%	0.35%	0.25%	0.42%	0.41%	0.59%	0.49%	
Net Interest Margin	3.35%	3.44%	3.55%	3.53%	3.42%	3.18%	3.31%	
Operating Exp./Gross Income	89.70%	82.03%	79.84%	69.53%	66.94%	60.20%	64.81%	
Fixed Assets+FRA's**/Assets	0.26%	1.37%	2.66%	3.36%	3.70%	2.63%	3.00%	
Net Operating Expense	3.54%	3.38%	3.45%	3.12%	3.11%	2.68%	2.92%	
ASSET-LIABILITY MANAGEMENT								
Net Long Term Assets/Assets	1.28%	13.64%	16.46%	22.10%	32.63%	33.52%	30.66%	
Shares/Savings+Borrowings	83.32%	67.43%	42.13%	27.36%	24.90%	19.20%	24.04%	
Loans/Savings	67.61%	65.73%	72.01%	79.22%	87.46%	86.78%	84.91%	
Loans/Assets	53.20%	54.59%	62.70%	69.14%	75.54%	76.01%	73.95%	
Cash + ST Invest./Assets	38.05%	29.57%	22.88%	15.72%	13.32%	12.29%	14.00%	
Assets	79.39%	85.99%	93.10%	94.20%	94.98%	95.31%	94.82%	
Shares + Drafts/Savings+Borrowings	84.70%	73.92%	57.39%	41.20%	38.91%	30.44%	36.62%	
Borrowings/Shares & Net Worth	0.00%	0.00%	0.08%	0.40%	2.18%	2.30%	1.90%	
OTHER RATIOS								
Net Worth Growth	0.46%	-0.76%	0.48%	3.42%	4.67%	6.93%	5.07%	
Savings Growth	3.92%	9.45%	11.08%	10.85%	13.04%	15.02%	13.69%	
Loan Growth	-6.68%	-11.62%	-5.63%	-3.89%	-0.67%	0.25%	-0.86%	
Asset Growth	3.11%	7.35%	9.43%	7.89%	10.18%	12.80%	11.26%	
Investment Growth	-32.34%	40.42%	29.04%	71.21%	95.54%	78.48%	73.38%	
Investments/Assets	21.98%	27.69%	22.57%	17.81%	9.74%	9.42%	11.48%	
Employee Cost/Gross Inc.	43.82%	40.86%	36.79%	34.70%	34.05%	29.61%	32.07%	
Employee Cost/ Avg. Assets	1.75%	1.81%	1.85%	1.85%	1.93%	1.64%	1.76%	
Average Loan Balance	\$6,701	\$8,007	\$9,721	\$11,806	\$14,628	\$11,094	\$11,881	
Average Savings Balance	\$2,078	\$2,941	\$3,207	\$3,797	\$4,148	\$4,869	\$4,317	

**Foreclosed and Repossessed Assets

Note: Some small statistical errors may occur due to rounding.

**ANALYSIS OF INCOME AND EXPENSES TO GROSS INCOME
FOR THE PERIOD ENDING MARCH 31, 2011**

Peer Groups by Assets	\$ 2,000,001- <\$2,000,000	\$ 10,000,001- \$10,000,000	\$ 50,000,001- \$50,000,000	\$100,000,001- \$100,000,000	\$100,000,001- \$500,000,000	>\$500,000,000	TOTAL
Number of Credit Unions	39	35	82	22	33	9	220
OPERATING INCOME							
Interest on Loans	86.12%	78.45%	75.42%	75.14%	74.02%	71.86%	73.14%
Less: Interest Refunds	0.00%	0.00%	0.04%	0.05%	0.02%	0.00%	0.01%
Income on Investments	11.67%	12.12%	8.02%	6.88%	3.46%	3.34%	4.08%
Income on Trading Securities	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fee Income	1.17%	5.97%	11.14%	11.16%	12.17%	11.62%	11.68%
Other Operating Income	<u>1.04%</u>	<u>3.46%</u>	<u>5.46%</u>	<u>6.87%</u>	<u>10.36%</u>	<u>13.17%</u>	<u>11.12%</u>
TOTAL INCOME	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
OPERATING EXPENSES							
Employee Costs	43.82%	40.86%	36.79%	34.70%	34.05%	29.61%	32.07%
Travel and Conference	1.64%	0.90%	0.89%	0.97%	0.68%	0.36%	0.56%
Office Occupancy	3.97%	4.95%	6.12%	5.00%	5.34%	4.54%	4.96%
General Operations	18.59%	15.88%	14.35%	12.19%	12.29%	9.29%	10.93%
Education and Promotion	0.80%	0.56%	1.54%	1.89%	1.95%	2.06%	1.96%
Loan Servicing	1.80%	1.75%	4.70%	2.74%	4.44%	5.50%	4.87%
Professional Services	5.82%	7.14%	7.46%	5.90%	2.68%	3.72%	3.87%
Member Insurance	5.42%	5.29%	4.82%	4.14%	3.70%	3.58%	3.77%
Operating Fees	1.34%	0.89%	0.48%	0.26%	0.27%	0.19%	0.25%
Miscellaneous	<u>6.50%</u>	<u>3.82%</u>	<u>2.70%</u>	<u>1.74%</u>	<u>1.55%</u>	<u>1.35%</u>	<u>1.58%</u>
TOTAL ADMINISTRATIVE	89.70%	82.03%	79.84%	69.53%	66.94%	60.20%	64.81%
Provision for Loan Loss	<u>2.42%</u>	<u>7.97%</u>	<u>4.99%</u>	<u>7.91%</u>	<u>7.19%</u>	<u>10.67%</u>	<u>8.87%</u>
TOTAL OPERATING EXP.	92.11%	90.00%	84.83%	77.44%	74.14%	70.87%	73.68%
COST OF FUNDS							
Interest on Borrowed Funds	0.00%	0.01%	0.06%	0.20%	1.46%	1.34%	1.18%
Dividends on Savings	<u>13.80%</u>	<u>13.00%</u>	<u>12.63%</u>	<u>15.60%</u>	<u>15.80%</u>	<u>16.36%</u>	<u>15.79%</u>
TOTAL COST OF FUNDS	13.81%	13.01%	12.69%	15.80%	17.26%	17.70%	16.97%
NET INCOME FROM OPERATIONS	-5.92%	-3.01%	2.48%	6.76%	8.61%	11.43%	9.34%
NON-OPERATING GAIN/LOSS	<u>2.42%</u>	<u>0.25%</u>	<u>-1.34%</u>	<u>0.04%</u>	<u>0.92%</u>	<u>0.23%</u>	<u>0.31%</u>
NET INCOME	-3.49%	-2.76%	1.14%	6.79%	9.52%	11.65%	9.65%
NCUA EXPENSES	1.45%	3.32%	4.10%	3.29%	2.91%	0.91%	1.99%
ADJUSTED NET INCOME (LOSS)	-2.05%	0.55%	5.24%	10.09%	12.43%	12.56%	11.64%

Note: Some small statistical errors may occur due to rounding.

**ANALYSIS OF INCOME AND EXPENSES TO AVERAGE ASSETS
FOR THE PERIOD ENDING MARCH 31, 2011**

Peer Groups by Assets	\$ 2,000,001- <\$2,000,000	\$ 10,000,001- \$10,000,000	\$ 50,000,001- \$50,000,000	\$100,000,001- \$100,000,000	\$500,000,001- \$500,000,000	>\$500,000,000	TOTAL
Number of Credit Unions	39	35	82	22	33	9	220
OPERATING INCOME							
Interest on Loans	3.44%	3.48%	3.78%	4.01%	4.20%	3.97%	4.02%
Less: Interest Refunds	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Income on Investments	0.47%	0.54%	0.40%	0.37%	0.20%	0.18%	0.22%
Income on Trading Securities	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fee Income	0.05%	0.27%	0.56%	0.60%	0.69%	0.64%	0.64%
Other Operating Income	<u>0.04%</u>	<u>0.15%</u>	<u>0.27%</u>	<u>0.37%</u>	<u>0.59%</u>	<u>0.73%</u>	<u>0.61%</u>
TOTAL INCOME	3.99%	4.44%	5.02%	5.34%	5.67%	5.53%	5.50%
OPERATING EXPENSES							
Employee Costs	1.75%	1.81%	1.85%	1.85%	1.93%	1.64%	1.76%
Travel and Conference	0.07%	0.04%	0.04%	0.05%	0.04%	0.02%	0.03%
Office Occupancy	0.16%	0.22%	0.31%	0.27%	0.30%	0.25%	0.27%
General Operations	0.74%	0.71%	0.72%	0.65%	0.70%	0.51%	0.60%
Education and Promotion	0.03%	0.02%	0.08%	0.10%	0.11%	0.11%	0.11%
Loan Servicing	0.07%	0.08%	0.24%	0.15%	0.25%	0.30%	0.27%
Professional Services	0.23%	0.32%	0.37%	0.32%	0.15%	0.21%	0.21%
Member Insurance	0.22%	0.23%	0.24%	0.22%	0.21%	0.20%	0.21%
Operating Fees	0.05%	0.04%	0.02%	0.01%	0.02%	0.01%	0.01%
Miscellaneous	<u>0.26%</u>	<u>0.17%</u>	<u>0.14%</u>	<u>0.09%</u>	<u>0.09%</u>	<u>0.07%</u>	<u>0.09%</u>
TOTAL ADMINISTRATIVE	3.58%	3.64%	4.01%	3.71%	3.80%	3.33%	3.57%
Provision for Loan Loss	<u>0.10%</u>	<u>0.35%</u>	<u>0.25%</u>	<u>0.42%</u>	<u>0.41%</u>	<u>0.59%</u>	<u>0.49%</u>
TOTAL OPERATING EXP.	3.68%	4.00%	4.26%	4.14%	4.21%	3.92%	4.05%
COST OF FUNDS							
Interest on Borrowed Funds	0.00%	0.00%	0.00%	0.01%	0.08%	0.07%	0.07%
Dividends on Savings	<u>0.55%</u>	<u>0.58%</u>	<u>0.63%</u>	<u>0.83%</u>	<u>0.90%</u>	<u>0.90%</u>	<u>0.87%</u>
TOTAL COST OF FUNDS	0.55%	0.58%	0.64%	0.84%	0.98%	0.98%	0.93%
NET INCOME FROM OPERATIONS	-0.24%	-0.13%	0.12%	0.36%	0.49%	0.63%	0.51%
NON-OPERATING GAIN/LOSS	<u>0.10%</u>	<u>0.01%</u>	<u>-0.07%</u>	<u>0.00%</u>	<u>0.05%</u>	<u>0.01%</u>	<u>0.02%</u>
NET INCOME	-0.14%	-0.12%	0.06%	0.36%	0.54%	0.64%	0.53%
NCUA EXPENSES	<u>0.06%</u>	<u>0.15%</u>	<u>0.21%</u>	<u>0.18%</u>	<u>0.17%</u>	<u>0.05%</u>	<u>0.11%</u>
ADJUSTED NET INCOME (LOSS)	-0.08%	0.02%	0.26%	0.54%	0.71%	0.69%	0.64%

Note: Some small statistical errors may occur due to rounding.

**LOAN DELINQUENCY
PERIOD ENDING MARCH 31, 2011**

Peer Groups by Assets	<\$2,000,000	\$ 2,000,001- \$10,000,000	\$ 10,000,001- \$50,000,000	\$50,000,001- \$100,000,000	\$100,000,001- \$500,000,000	>\$500,000,000	TOTAL
Number of Credit Unions	39	35	82	22	33	9	220
Loan Delinquency Ratios							
2 - 6 Months Delinquent	1.34%	0.81%	0.80%	0.80%	1.15%	0.79%	0.91%
6 - 12 Months Delinquent	1.40%	0.63%	0.54%	0.36%	0.63%	0.71%	0.65%
Over 12 Months Delinquent	<u>0.75%</u>	<u>0.72%</u>	<u>0.39%</u>	<u>0.16%</u>	<u>0.36%</u>	<u>0.36%</u>	<u>0.35%</u>
Total Delinquent Loans	3.49%	2.16%	1.73%	1.32%	2.13%	1.85%	1.90%
Loan Loss Ratio	0.01%	0.14%	0.48%	0.36%	0.48%	1.06%	0.78%

**ANALYSIS OF LOANS BY TYPE
PERIOD ENDING MARCH 31, 2011**

Number of Credit Unions	39	35	82	22	33	9	220
Loan Types							
Credit Card Loans	0.18%	0.73%	2.94%	2.39%	1.73%	4.84%	3.52%
Unsecured Loans	11.01%	8.17%	3.44%	1.90%	1.59%	1.66%	1.86%
New Auto Loans	20.11%	11.80%	6.88%	5.18%	3.24%	3.99%	4.12%
Used Auto Loans	46.61%	34.12%	24.71%	20.12%	17.63%	13.15%	16.09%
First Mortgages	8.18%	24.32%	41.73%	51.93%	54.21%	48.64%	49.89%
Other Real Estate	5.53%	12.63%	12.36%	11.11%	13.00%	16.58%	14.72%
Leases	0.00%	0.00%	0.04%	0.00%	0.00%	0.00%	0.00%
All Other Loans	<u>8.38%</u>	<u>8.24%</u>	<u>7.82%</u>	<u>7.24%</u>	<u>8.58%</u>	<u>10.10%</u>	<u>9.24%</u>
Total Loans	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Real Estate Loan Detail (as a percent of loans)							
First Mortgage - Fixed > 15 yrs.	0.00%	2.83%	3.25%	2.80%	3.25%	2.18%	2.64%
First Mortgage - Fixed - 15 yrs. Or less	0.10%	4.99%	7.76%	9.69%	11.64%	10.54%	10.57%
First Mortgage - Balloon/Hybrid - > 5 years	3.55%	6.34%	2.62%	7.69%	7.08%	6.73%	6.59%
First Mortgage - Balloon/Hybrid - 5 years Or less	3.34%	9.90%	19.99%	22.84%	18.70%	20.22%	19.81%
First Mortgage - Other Fixed Rate	1.20%	0.10%	0.28%	0.07%	0.29%	0.36%	0.31%
First Mortgage - Adjustable - 1 year or less	0.00%	0.00%	2.48%	3.22%	2.59%	2.07%	2.33%
First Mortgage - Adjustable - > 1 year	0.00%	0.18%	5.35%	5.63%	10.66%	6.53%	7.64%
Other - Closed End Fixed	5.22%	8.70%	6.80%	4.57%	4.44%	5.20%	5.06%
Other - Closed End Adjustable	0.15%	0.73%	1.83%	1.48%	1.11%	0.53%	0.88%
Other - Open End Adjustable	0.15%	3.19%	3.56%	4.96%	7.20%	10.80%	8.66%
Other - Open-End Fixed	0.00%	0.00%	0.17%	0.10%	0.24%	0.05%	0.12%
Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total Real Estate (as a percent of assets)	13.71%	36.95%	54.09%	63.04%	67.21%	65.22%	64.61%
Total Real Estate (as a percent of assets)	7.29%	20.17%	33.92%	43.59%	50.77%	49.57%	47.78%

*This page does not include loans Held for Sale

Note: Some small statistical errors may occur due to rounding.

**ANALYSIS OF SAVINGS BY TYPE
PERIOD ENDING MARCH 31, 2011**

Peer Groups by Assets	<\$2,000,000	\$ 2,000,001- \$10,000,000	\$ 10,000,001- \$50,000,000	\$50,000,001- \$100,000,000	\$100,000,001- \$500,000,000	>\$500,000,000	TOTAL
Number of Credit Unions	39	35	82	22	33	9	220
Share Drafts	1.38%	6.66%	15.53%	14.17%	14.62%	11.94%	13.19%
Regular Shares	83.32%	67.26%	41.91%	27.23%	25.24%	19.27%	24.21%
Money Market Shares	2.40%	2.39%	12.47%	20.91%	23.60%	30.93%	26.02%
Share Certificates	12.47%	19.67%	21.62%	26.87%	26.63%	28.98%	27.34%
IRA Accounts	0.43%	3.78%	7.63%	9.71%	9.18%	8.07%	8.44%
All Other Shares	0.00%	0.23%	0.84%	1.12%	0.74%	0.82%	0.81%
Total Shares	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

**ANALYSIS OF INVESTMENTS BY TYPE
PERIOD ENDING MARCH 31, 2011**

Peer Groups by Assets	<\$2,000,000	\$ 2,000,001- \$10,000,000	\$ 10,000,001- \$50,000,000	\$50,000,001- \$100,000,000	\$100,000,001- \$500,000,000	>\$500,000,000	TOTAL
Number of Credit Unions	39	35	82	22	33	9	220
Trading Securities	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Available for Sale Securities	0.00%	0.00%	4.95%	29.46%	19.57%	58.93%	34.36%
Held-to-Maturity Securities	0.00%	7.83%	3.38%	2.20%	12.23%	1.44%	4.82%
Commercial Banks, S&L's, and Mutual Savings Banks	73.70%	57.09%	73.62%	41.33%	40.22%	10.78%	34.20%
Credit Unions	19.99%	19.01%	7.35%	5.05%	1.54%	0.29%	2.84%
Corporate Credit Unions	4.20%	14.47%	8.78%	19.06%	21.35%	22.70%	19.24%
Other Investments	2.11%	1.61%	1.91%	2.91%	5.10%	5.86%	4.53%
Total Investments	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Note: Some small statistical errors may occur due to rounding.