4Q 2022

QUARTERLY PERFORMANCE SUMMARY

IOWA CREDIT UNION LEAGUE

4TH QUARTER 2022

PERFORMANCE COMPARISON REPORT

TABLE OF CONTENTS

WRITTEN AND
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Callahan & Associates was founded in 1985 to assist credit unions in developing their unique competitive advantages. A leading consulting, research and data analysis firm, Callahan works with 4,000+ credit unions and industry suppliers nationwide to provide insight and solutions that help drive credit unions toward success.

KEY PERFORMANCE COMPARISONS | AS OF DECEMBER 31, 2022

OVERVIEW			
	U.S. CUs	Iowa CUs	Iowa as % of Industry
Number of CUs	4,863	79*	1.62%
Federal-Chartered CUs	2,980	2	0.07%
State-Chartered CUs, NCUSIF Insured	1,780	77	4.33%
State-Chartered CUs, ASI Insured	103	0	0.00%
Total State-Chartered CUs	1,883	77	4.09%
Total Members	136,585,789	1,579,300	1.16%
Members, Average per CU	28,087	19,991	71.18%
# of Mergers/Liquidations YTD	189	2	1.06%
Total Assets	$2,190,185,662,965	$31,898,939,775	1.46%
Total Loans	$1,520,983,042,061	$26,239,226,632	1.73%
Total Shares	$1,869,407,760,478	$25,984,865,847	1.39%
Total Capital	$207,192,136,655	$3,234,428,552	1.56%
Average Asset Size	$450,377,475	$403,784,048	89.65%

EARNINGS (YEAR-TO-DATE AS % OF AVERAGE ASSETS)		
	U.S. CUs	Iowa CUs
Interest Income	3.38%	3.79%
Interest Expense	0.52%	0.80%
Net Interest Margin	2.87%	3.00%
Loss Provisions	0.25%	0.36%
Operating Expenses (including stabilization expenses)	2.86%	2.69%
Non-Interest Income	1.13%	0.92%
ROA	0.89%	0.87%

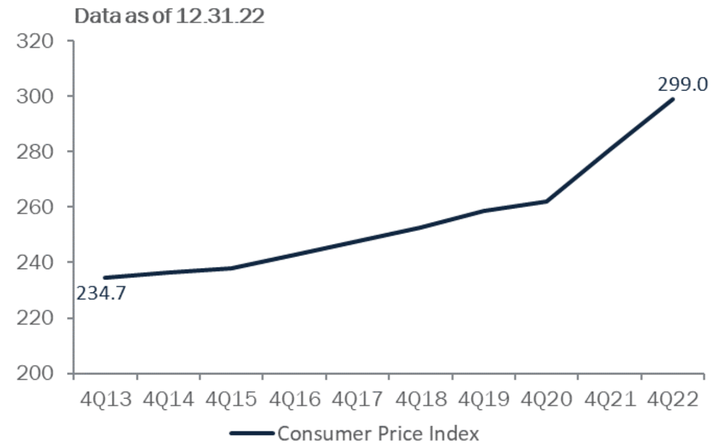
BALANCE SHEET		
	U.S. CUs	Iowa CUs
12-Month Loan Growth	19.92%	24.75%
12-Month Share Growth	3.34%	10.02%
12-Month Member Growth	4.30%	8.68%
12-Month Capital Growth	-5.86%	4.40%
12-Month Asset Growth	5.13%	14.93%
Loans/Shares	81.36%	100.98%
Capital/Assets	9.46%	10.14%
Delinquency Ratio	0.61%	0.64%
Average Loan Balance	$17,037	$17,538
Average Share Balance	$13,530	$14,956

*Totals for credit unions in the state of Iowa exclude R.I.A. Federal Credit Union due to them being reported as an Illinois credit union.

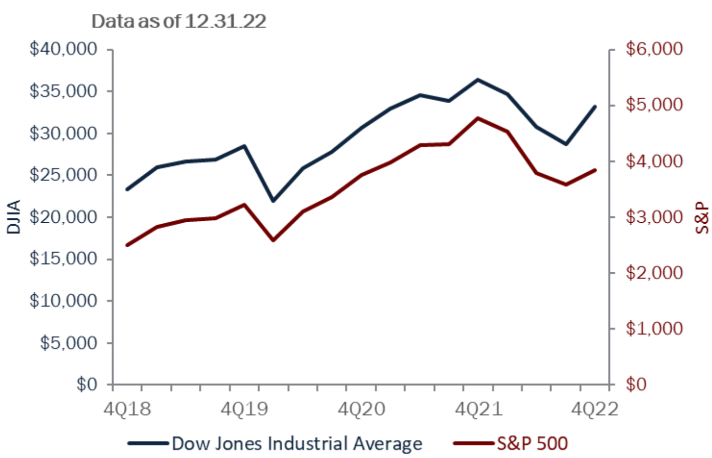
NATIONAL ECONOMIC SUMMARY

U.S. GDP GROWTH
Source: Federal Reserve

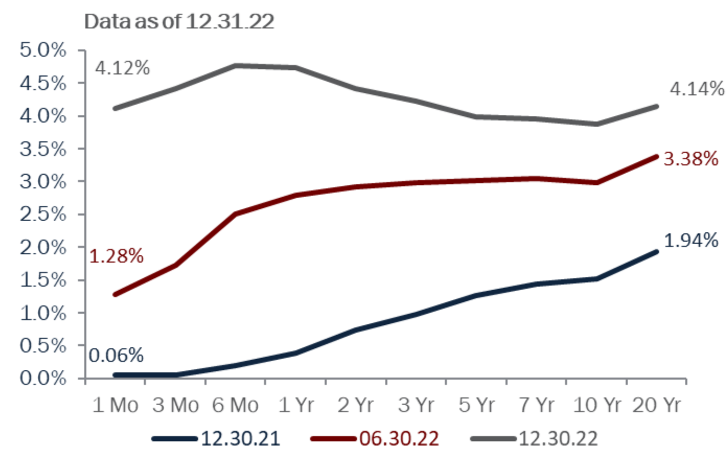
CONSUMER PRICE INDEX
Source: Federal Reserve



MARKET PERFORMANCE
Source: Federal Reserve



TREASURY YIELD CURVE
Source: U.S. Treasury



EXECUTIVE SUMMARY

The fourth quarter brought positive macroeconomic results, as the economy grew while month-over-month inflation cooled. Despite this, business economists and market investors forecast headwinds. The Federal Reserve maintains its hawkish stance, and projects a longer-term federal funds rate of over 5.0%, nearly one percentage point higher than the fourth quarter range. Higher interest rates could spell trouble for borrowers, but thus far the American consumer remains resilient. However, with inflation rates still four percentage points above the Federal Reserve's target, excess savings are rapidly being tapped to cover high monthly expenses, making the American consumer more vulnerable. A study from JP Morgan found that excess savings at US households have fallen by more than $1.2 trillion since pandemic peaks, leaving just $900 billion left to spend.

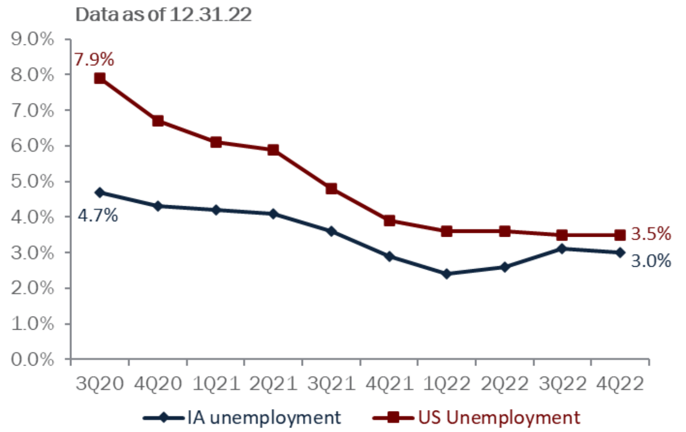
For credit unions, the member drawdown on excess savings exacerbates an already tight liquidity environment. Helping members develop savings plans — or incentivizing long-term deposits through higher rates and special offerings — can alleviate a lot of stress for the member and for the balance sheet. If deposits dry up, many credit unions will be forced to either slow their lending pipelines, or turn to costly borrowing channels to source the funds necessary for lending.

INDUSTRY OVERVIEW
FOR U.S. CREDIT UNIONS | DATA AS OF 12.31.22
Source: Callahan & Associates

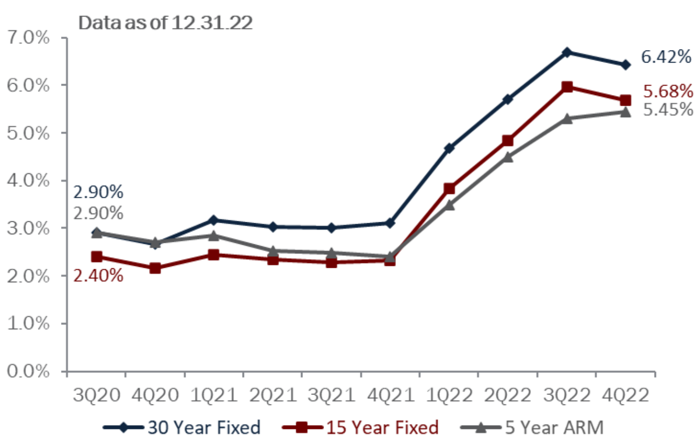
	As of 12/31/2022	12-mo. Growth 2022	12-mo. Growth 2021
Assets	$2,190.2B	5.13%	11.69%
Loans	$1,521.0B	19.92%	7.95%
Shares	$1,869.4B	3.34%	12.65%
Investments	$573.0B	-20.55%	19.85%
Capital	$207.2B	-5.86%	6.59%
Members	136.6M	4.30%	4.20%

REGIONAL MACROECONOMIC SUMMARY

UNEMPLOYMENT RATES
IOWA VERSUS NATIONAL AVERAGE



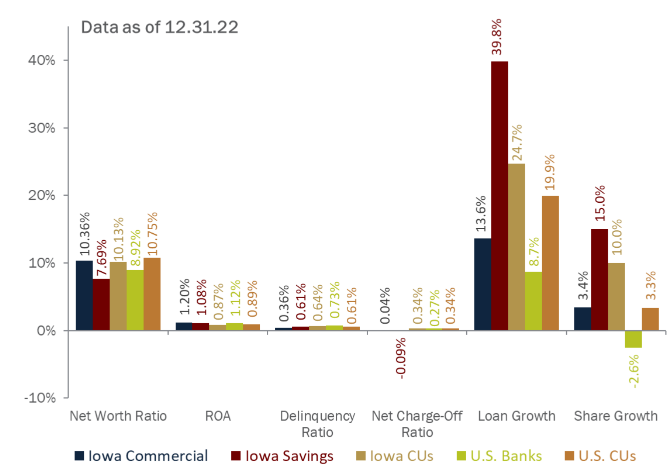
UNITED STATES MORTGAGE RATES



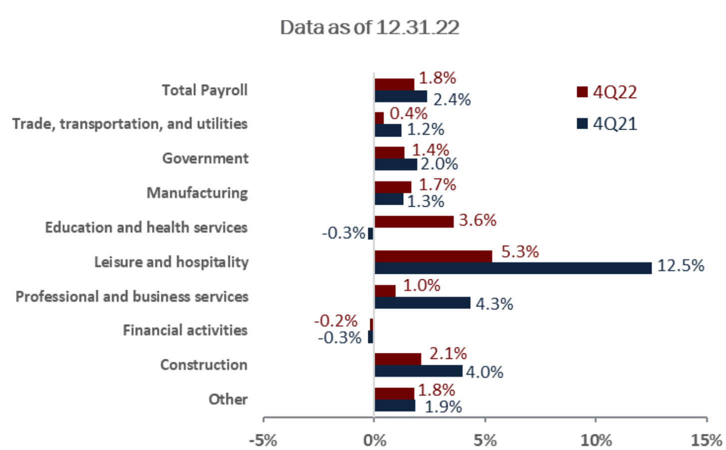
Macro Trends

- The nationwide unemployment rate stood at 3.5% at December-end. This remains around non-wartime record low levels, even as rampant inflation and interest rate hikes hinder economic health. Labor force participation rates are climbing but are not yet back to pre-pandemic levels. While there have been well-publicized layoffs in key sectors such as technology, these events remain isolated. The lingering question is whether the Federal Reserve can slow inflation — 6.5% at the end of December — while not tipping the economy into a deep recession….the so-called "soft landing" ideal.
- Unemployment improved across the fourth quarter in Iowa, declining 10 basis points since September to stand at 3.0% at year end. Iowa unemployment is 50 basis points better than the national average but is slightly higher than statewide rates from early in 2022, as recession fears intensify.
- Inflation is straining consumer budgets, and higher interest rates make life difficult for borrowers. The national average interest rate on 30-year fixed rate mortgages hit 6.42% at the end of December according to Freddie Mac. Similarly, rates on the 15-year fixed hit 5.68%, down slightly from the end of the third quarter but still substantially higher than borrowers have grown accustomed to over the past decade. The average 5-year adjustable rate mortgage clocked in at a modestly lower 5.45%, and these loan types have surged in popularity due to their relatively more affordable monthly payments.
- Iowa payrolls expanded in 2022, with nonfarm employee totals up 1.8% year-over-year. This is an increase of 28,000 Iowans. The fastest growing industry continued to be leisure and hospitality, adding 7,100 new workers since year-end 2021.
- Trade, transportation, and utilities was the largest industry in Iowa by staff in the fourth quarter, comprising 19.7% of workers. This is followed by government service with 16.3% of laborers, and education and health services, with 14.7%.
- Iowa credit unions came second to Iowa savings banks in both annual loan and share growth. Cooperatives in the state also recorded strong earnings, on par with peers. Credit unions in the state, however, reported higher delinquency and net charge-offs than Iowa bank peers.

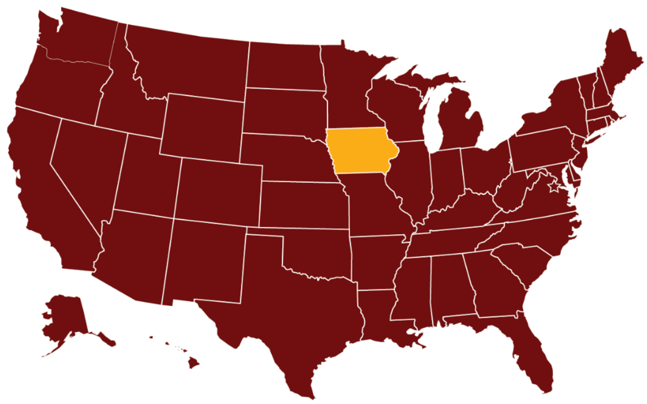
NATIONAL VS. IOWA BANKING COMPARISON



IOWA EMPLOYMENT GROWTH BY SECTOR



IOWA CREDIT UNIONS



Regional Snapshot

POPULATION: 3.2 million
UNEMPLOYMENT RATE: 3.0%*
NUMBER OF CREDIT UNIONS: 79
NUMBER OF COMMERCIAL BANKS: 247
NUMBER OF SAVINGS BANKS: 3

Credit Union Quick Facts

DATA AS OF 12.31.22

Total Assets: **$31,898,939,775**	Total Loans: **$26,239,226,632**	Total Shares: **$25,984,865,847**
Total YTD Revenue: **$1,446,989,195**	Average Delinquency: **0.64%**	Average OpEx Ratio: **2.69%**
Total Members: **1,579,300**	Total Capital: **$3,234,428,552**	*Data as of December 31, 2022

Loans

LOAN BALANCES held on Iowa credit union balance sheets rose throughout 2022, up 24.7% to $26.2 billion. Iowa cooperatives sold less mortgages to secondary market buyers this year than in 2021. This helped to propel first mortgage balances up 33.2% year-over-year on Iowa credit union balance sheets, the highest of any loan product.

Despite a negative national environment, Iowa credit unions **ORIGINATED** more loan dollars than they did in quarters past. Iowa credit unions increased originations 5.0% between 2022 and 2021. This was buoyed by increases in credit card, other real estate (such as HELOCs) and auto loan lending.

Iowa credit unions reported a 20 basis point uptick in **LOAN DELINQUENCY RATE** year-over-year, as high interest rates coupled with rising costs of living to strain member finances. The spike in loan delinquency was driven by used auto and credit cards, which both increased over 40 basis points annually. Iowa's delinquency rate of 0.64% is higher than the national average of 0.61%.

Shares

Iowan **SHARE BALANCES** grew 10.0% year-over-year to a nearly $26.0 billion at December-end. This is the slowest 12-month deposit growth rate in the state since 2019, and balances increased only 1.6% over the final three months of 2022. Members are relying on savings built up during the pandemic to cover for inflation-driven high prices.

To make their remaining shares go further, many members in the Hawkeye State are opting for **SHARE CERTIFICATES**. Iowans increased certificate balances to the tune of 46.0% through 2022, a sharp pivot following multiple years of little demand for these termed products. On the other hand, **CORE DEPOSIT ACCOUNTS —** drafts, regular shares, and money markets — declined 3.5% in 2022.

As held loan balances soar and share growth stagnates, Iowa credit unions are dealing with tightening liquidity profiles. The state industry holds a **LOAN-TO-SHARE** ratio of 101.0% as of December 31, up 11.9 percentage points year-over-year. Due to the rise in certificate demand and a 162.3% increase in **BORROWING** balances, the **COST OF FUNDS** increased 17 basis points from last year to 0.89%.

Members

MEMBERSHIP increased at Iowa credit unions by 8.7% to now stand at 1,579,300 members. The state's member expansion is ahead of the nationwide industry's annual growth rate of 4.9%, but Iowa credit unions are also more reliant on indirect channels to source these new relationships.

Members increased their lending connection with Iowa credit unions in the fourth quarter, as **PENETRATION RATES** rose for auto (up 1.1 percentage points) and real estate loans (up 33 basis points).

To support increased membership, Iowa credit unions grew their amount of **FULL TIME EQUIVALENT EMPLOYEES** by 7.0%. However, an expanding membership increased the member to FTE ratio — a proxy for member service — to 339, up from 334 last year.

Earnings

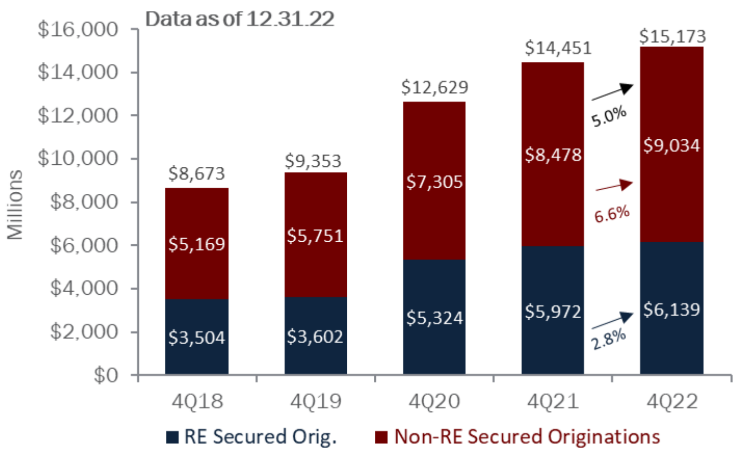
NET INTEREST MARGINS at state credit unions expanded 7 basis points year-over-year to stand at 3.00%. This uptick was primarily driven by repricing loan portfolios and credit unions holding larger amounts of loans on balance sheets. The state industry's **OPERATING EXPENSE RATIO** grew just 4 basis points year-over-year to 2.69%, and remains 31 basis points below the net interest margin.

Core **NON-INTEREST INCOME** totals declined 10.8% year-over-year at Iowa credit unions**.** This was driven by a decrease in **OTHER OPERATING INCOME**, down 16.8% annually as earnings from secondary market sales declined. Non-interest income comprised just 21.8% of total revenue in 2022, down from 27.7% in 2021.

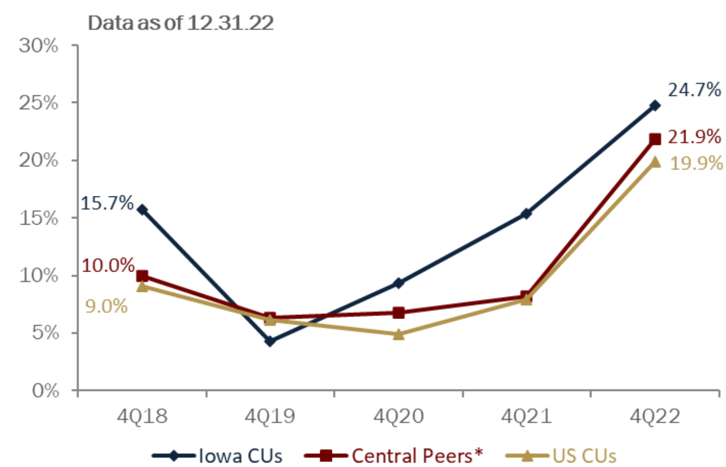
PROVISIONS FOR LOAN LOSSES increased 242.9% year-over-year as credit unions brace themselves for rising delinquency and prepare for CECL implementation. With losses now expected to be projected and carried forward under the new regulation, credit unions must have appropriate provisions set aside into their allowance accounts.

LENDING—OVERVIEW

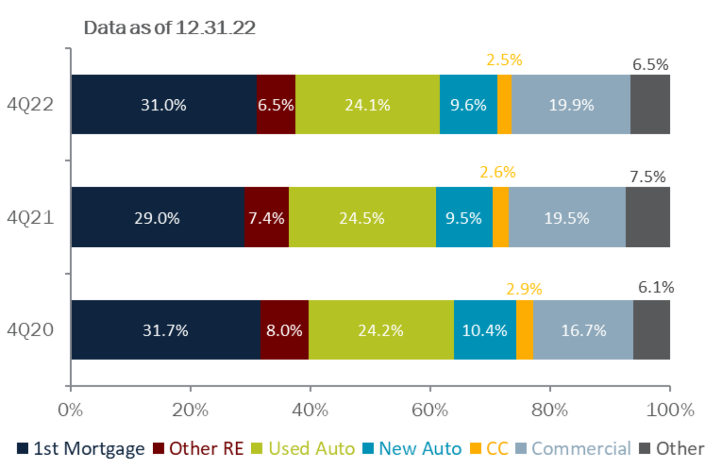
YTD LOAN ORIGINATIONS FOR IOWA CREDIT UNIONS



ANNUAL TOTAL LOAN GROWTH FOR IOWA CREDIT UNIONS VS. PEERS



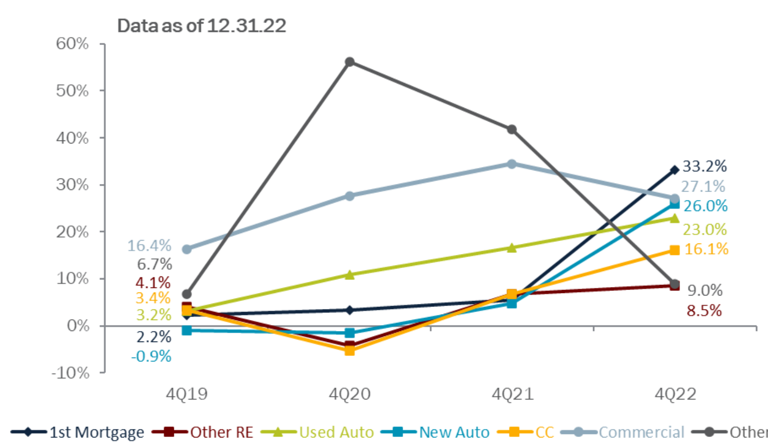
LOAN COMPOSITION FOR IOWA CREDIT UNIONS



Lending Trends

- Nationwide, financial institutions are holding more loans on balance sheets rather than selling them on the secondary market. As interest rates rise, credit unions see this as a way to generate additional income and maintain member relationships for the long term. However, holding loans does come at a cost, as it takes up valuable space on balance sheets that are already constricted by slowing deposit growth. Counteracting this liquidity crunch, loan originations are down as rising interest rates reduce demand for financing. The Federal Reserve remains hawkish in their fight against rising prices, so these trends may persist into 2023.
- Iowa credit unions grew loan balances in 2022, up 24.7% year-over-year. Overall, credit unions in the state hold $26.2 billion in loans. Iowa credit unions sold fewer loans to secondary market buyers this year and maintained growth in loan originations, while members paid down loans at slower rates.
- Bucking the national trend, Iowa credit unions continued to expand their pace of loan dollar origination — the pipeline demand for loans granted so far this year. While the 5.0% yearly growth rate was down from recent quarters, it still exceeds the national average (and notable contraction) of -3.2%. Credit unions in the state booked nearly $15.2 billion in new loans this year. Consumer loan origination dollars expanded 6.6%. Also, unlike national peers, the *number* of loans originated in the state in 2022 increased 16.7% from 2021, mostly due to increased participations and indirect lending.
- Iowa credit unions experienced a 20 basis point increase in loan delinquency rates year-over-year, jumping to 0.64%, as higher interest rates and inflation make payments tough on vulnerable members.
- First mortgage balances outstanding grew at the fastest pace of any major loan product in the state, up 33.2% despite the national trend reporting otherwise. Commercial loans became a growth area for Iowa credit unions over the last five years, and this trend continued in the fourth quarter, rising 27.1% year-over-year. Vehicle loans — which comprise 33.7% of the state industry's portfolio — grew a combined 23.8% annually.

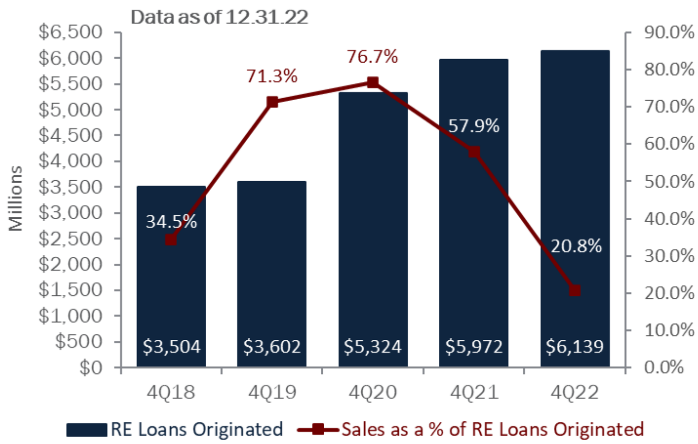
ANNUAL LOAN GROWTH BY TYPE FOR IOWA CREDIT UNIONS



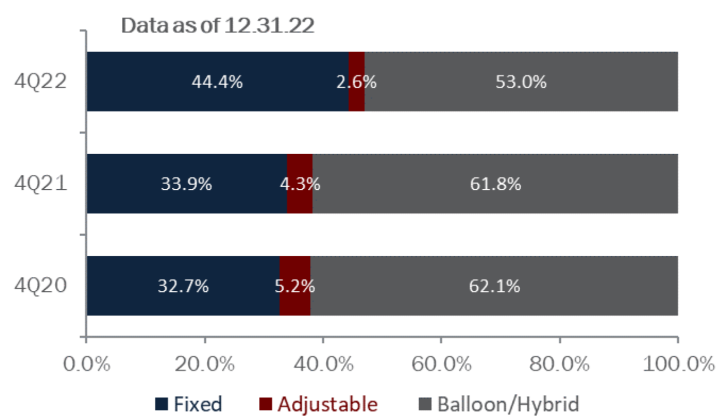
** Central Peers includes credit unions located in the states of ND, SD, NE, KS, MO, IL, WI, and MN.*

LENDING—REAL ESTATE

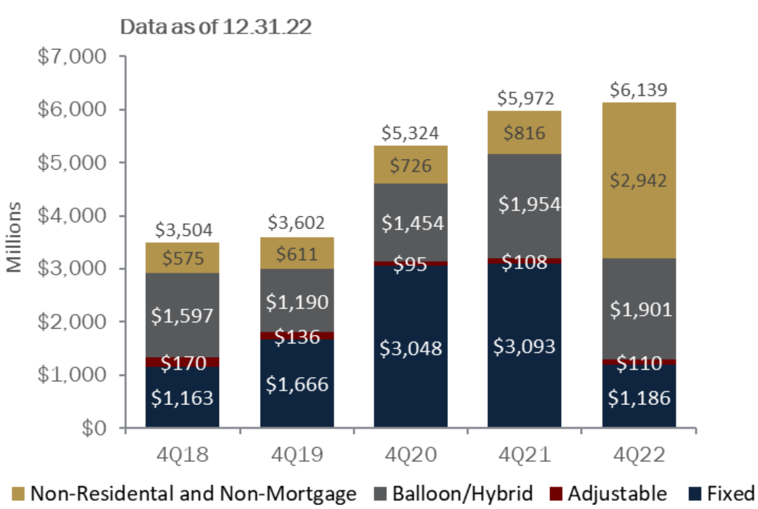
ORIGINATIONS AND SALES TO SECONDARY MARKET FOR IOWA CREDIT UNIONS



OUTSTANDING RESIDENTIAL FIRST MORTGAGES COMPOSITION FOR IOWA CREDIT UNIONS



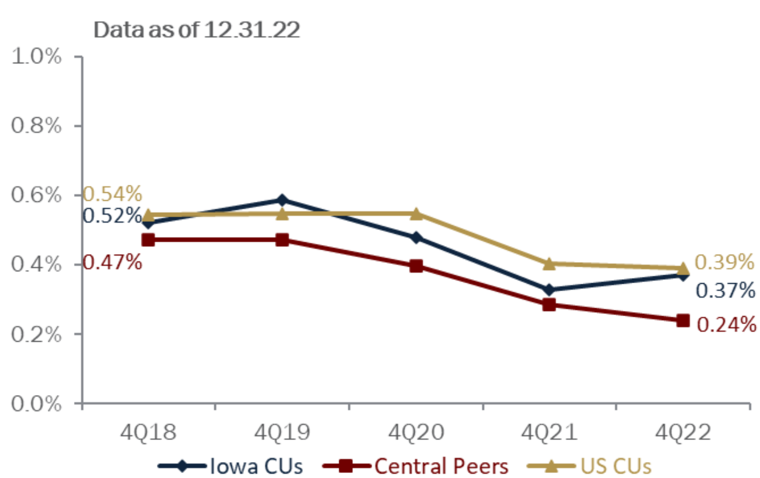
HISTORICAL REAL ESTATE ORIGINATION COMPOSITION FOR IOWA CREDIT UNIONS



Real Estate Lending Trends

- According to the National Association of Realtors, the nation-wide housing market continued its slump in the fourth quarter, with existing home sales falling 34.0% in December from a year ago. The number of existing homes sold in December, on a seasonally adjusted annual rate, was down to 4.02 million, a decline from 6.09 million in December of 2021. Surprisingly, despite higher interest rates and less buyers in the market, home prices actually increased 2.3% year-over-year.
- Real estate loan originations in Iowa grew just 2.8% year-over-year, driven by slowdowns in first mortgage originations. High interest rates scared away many potential purchasers, but existing homeowners tapped into some of the equity built up over the past few years of price appreciation. Overall, Iowa credit unions lent out over $6.1 billion in real estate loans in 2022.
- 37.1% of Iowa's 2022 residential first mortgage origination dollars were fixed-rate, down from 60.0% in 2021. Adjustable-rate and balloon/hybrid mortgages accounted for 3.4% and 59.5%, respectively. Variable-rate options grew in popularity due to their more affordable initial monthly payments and borrowers betting on a refinance at lower rates in the future.
- Selling mortgages to the secondary market is a common ALM strategy where credit unions can collect originator fees while also freeing up liquidity. However, selling mortgages is down substantially at Iowa credit unions from a March 2021 high of 81.8%. Their rate of sale declined to 20.8% of real estate originations in 2022.
- Balances of fixed-rate mortgages grew year-over-year and now comprise to 44.4% of mortgages held in the portfolio. This is up from 33.9% last year, primarily a result of less secondary market selling. For comparison, Iowa's nationwide peers hold 71.9% of their real estate portfolio in fixed rate.
- Total real estate loan delinquency rose 4 basis points year-over-year to 0.37%, primarily due to a 15 basis point leap in first mortgage delinquency. Other real estate loan delinquency worsened by two basis points since last year.

TOTAL REAL ESTATE DELINQUENCY FOR IOWA CREDIT UNIONS VS. PEERS



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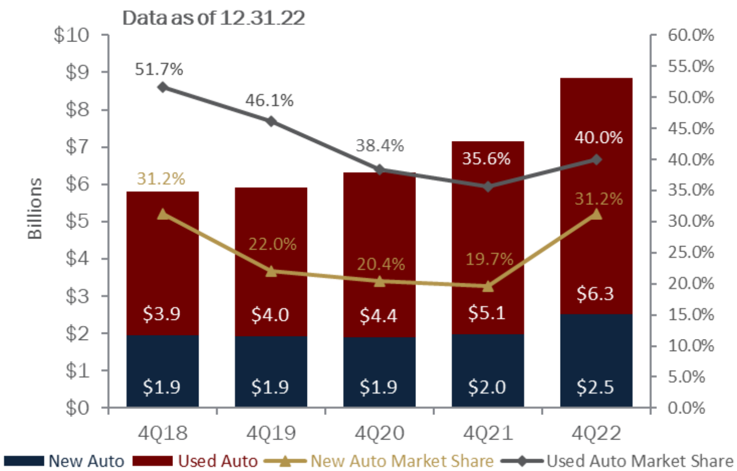
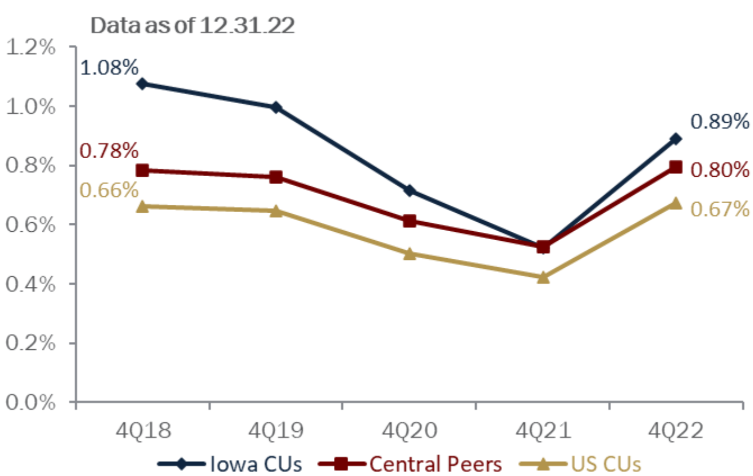
LENDING—AUTO

NEW AND USED BALANCES & MARKET SHARE FOR IOWA CREDIT UNIONS



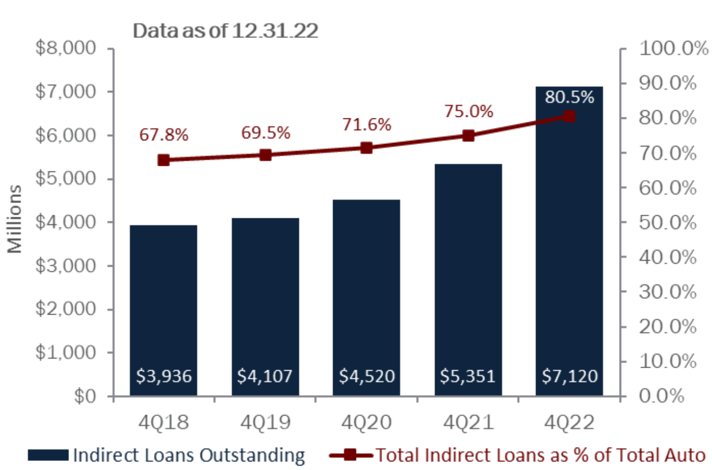
AUTO LOAN DELINQUENCY FOR IOWA CREDIT UNIONS VS. PEERS



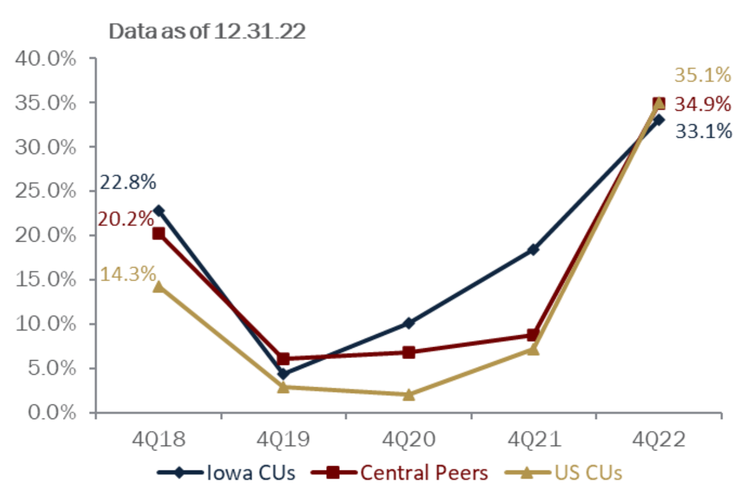
Auto Lending Trends

- Total auto sales in the United States reached 14.8 million (SAAR) in the fourth quarter according to the Federal Reserve, up just slightly from this time last year. As supply chains recover, inventory levels improve, helping to reduce the price of used cars. However, the same cannot be said for new cars. According to Kelley Blue Book, prices of new vehicles hit all time highs in December, though this was driven primarily by the luxury market.
- Iowa credit union auto loan balances expanded 23.8%, in 2022, faster than the 13.1% rate in 2021, and comprise 33.7% of loan balances outstanding. New auto loan balances, which account for only 9.6% of total loans, increased 26.0% since last year. Used auto balances (24.1% of loan portfolios) grew 23.0% annually.
- 30.5% of Iowa credit union members hold an auto loan with their institution, up 107 basis points year-over-year. With the price of new cars continuing to reach record highs, more and more members are looking for attractive financing options. The average auto loan balance held at Iowa credit unions is $18,350, up 9.9% year-over year.
- Loan balances sourced through indirect channels increased 33.1% year-over-year across Iowa credit union portfolios, and total indirect balances — which are primarily auto — comprise over 80% of auto loans outstanding. The state industry has been expanding indirect lending programs since 2012. Indirect channels grew at a faster pace during the pandemic as federal relief and quarantines left many credit unions with more liquidity than branch traffic, and these programs got loans in front of new members. It remains to be seen how credit unions will utilize these channels as liquidity tightens.
- Auto loan delinquency at Iowa credit unions ticked up 37 basis points over the year to 0.89% at year-end. Credit quality in the state is below that of their nationwide peers, and increased interest rates and high costs of living are likely to pinch members' wallets further and force them to make difficult repayment decisions.

INDIRECT LENDING COMPARISON FOR IOWA CREDIT UNIONS



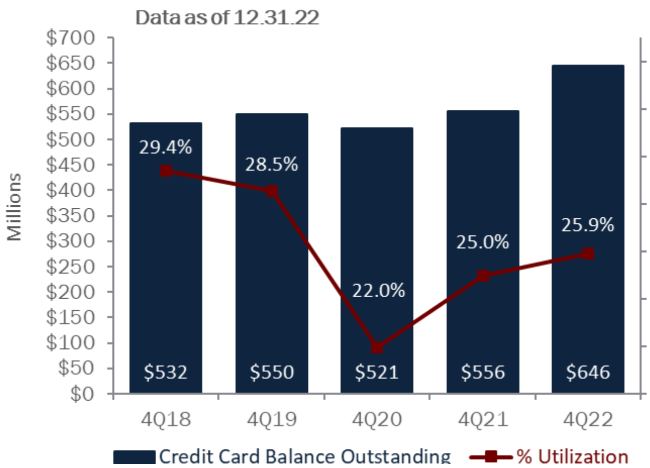
INDIRECT LOAN GROWTH FOR IOWA CREDIT UNIONS VS. PEERS



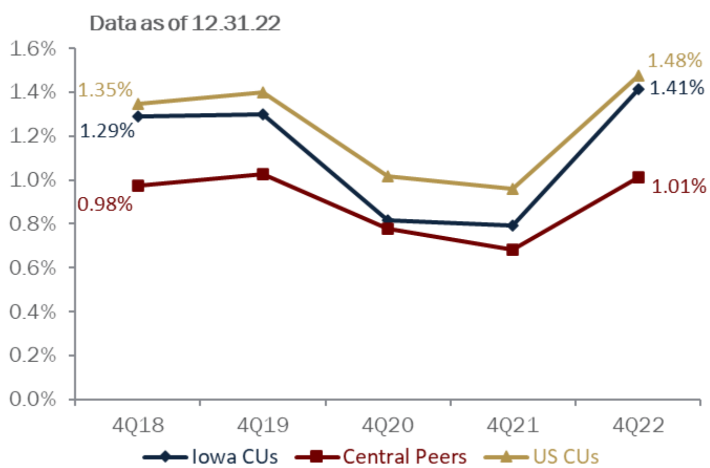
** Central Peers includes credit unions located in the states of ND, SD, NE, KS, MO, IL, WI, and MN.*

LENDING—CREDIT CARDS

CREDIT CARD BALANCES AND UTILIZATION FOR IOWA CREDIT UNIONS



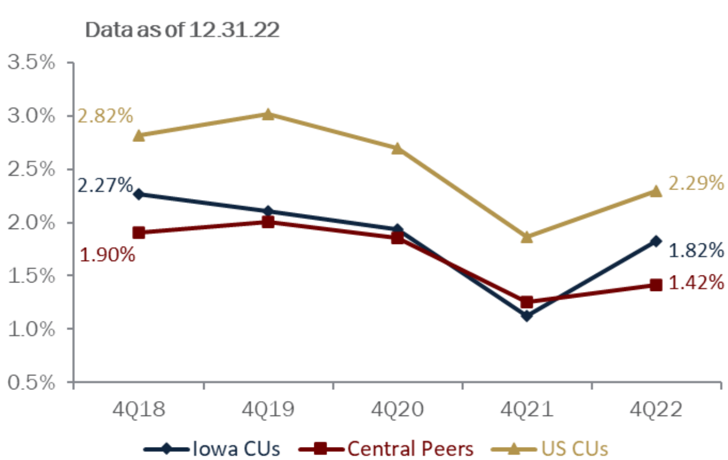
CREDIT CARD DELINQUENCY FOR IOWA CREDIT UNIONS VS. PEERS



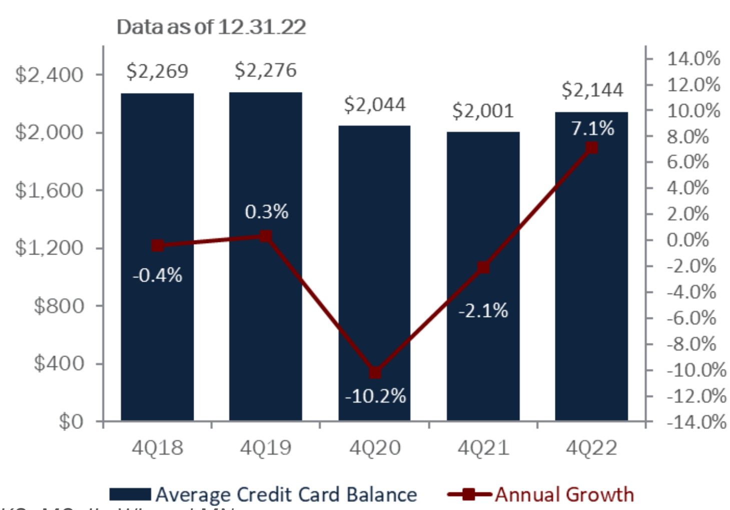
Credit Card Lending Trends

- Although inflation has cooled from summer peaks, cost of living growth remains well above historical highs, and consumers are turning to credit cards to help cover their purchases. Consumer revolving credit, which is heavily based on credit card balances, reached nearly $1.2 trillion in the fourth quarter according to the Federal Reserve, a year-over-year increase of 14.8%. According to TransUnion, subprime and near-prime borrowers drove average credit card balance growth, recording 19.0% and 13.8% quarterly growth, respectively.
- At Iowa credit unions, member card balances are up 16.1% annually to $645.9 million at the end of 2022. Utilization — or the percent of available credit tapped into by members — is up 92 basis points from one year ago at 25.9%. While credit cards only comprise 2.5% of state loan balances, the increasing usage is reflective of current economic times.
- An additional 23,330 credit cards were opened at Iowa credit unions in 2022, bringing the state industry total to 301,298 accounts. 19.1% of members hold credit cards with their cooperative, little changed from one year ago. Iowa credit unions are outperforming nationwide and central peers' credit card penetration rates by 1.1 and 4.2 percentage points, respectively.
- The average balance per credit card reached $2,144 on December 31 as members borrow to cover the rising cost of goods and services. This is up 7.1% year-over-year and $274 higher than the pandemic-era low, which came in the first quarter of 2021.
- Delinquency is on the rise. In Iowa, credit card delinquency increased 62 basis points from one year ago to 1.41%. Similarly, the charge-off rate increased 69 basis points to 1.82%. Credit card asset quality is now worse than pre-pandemic norms. Although Iowa credit unions still outperform the national average, state cooperatives must closely monitor these metrics as rising member balances, greater utilization, and ever-growing living expenses may result in an increasing number of late payments.

CREDIT CARD NET CHARGE-OFFS FOR IOWA CREDIT UNIONS VS. PEERS



AVERAGE CREDIT CARD BALANCE & GROWTH FOR IOWA CREDIT UNIONS



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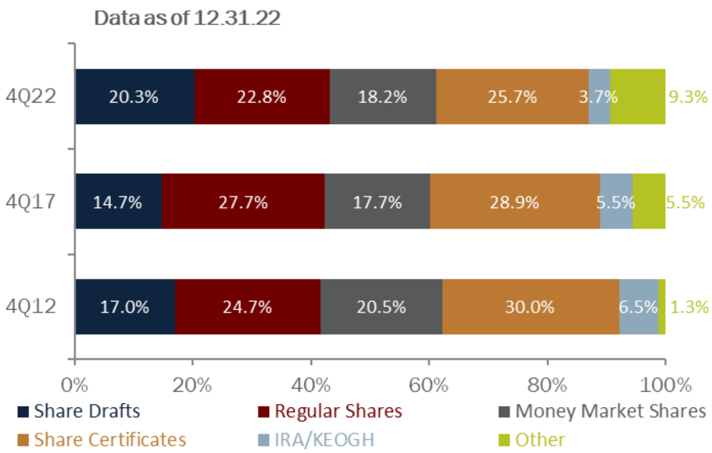
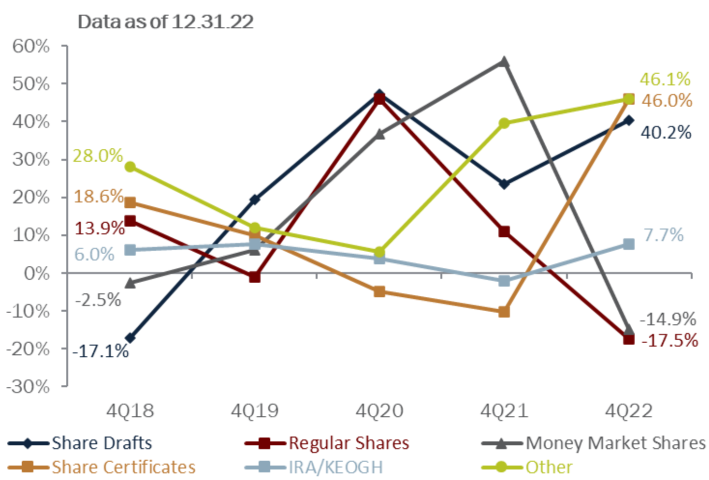
SHARES

HISTORICAL SHARE COMPOSITION FOR IOWA CREDIT UNIONS



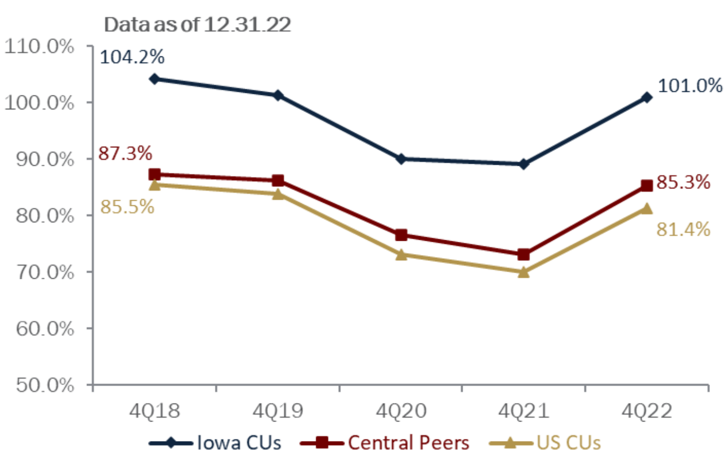
GROWTH BY ACCOUNT TYPE FOR IOWA CREDIT UNIONS



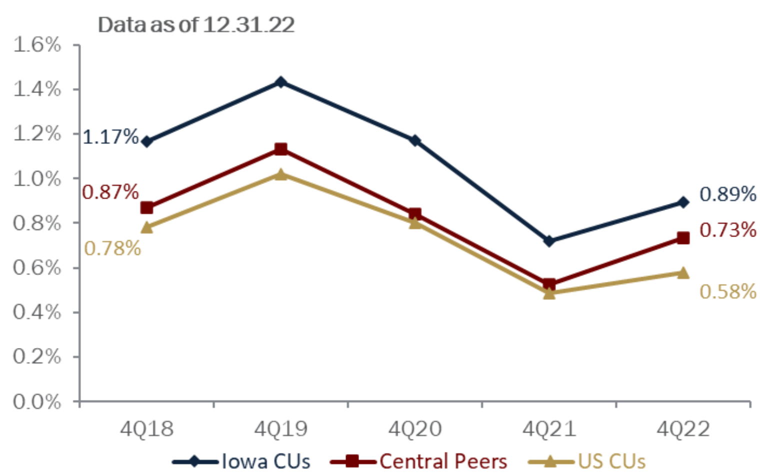
Shares Trends

- Americans saved 3.4% of their income in the fourth quarter, down from a 7.5% rate one year ago. As interest rates and prices rise, savers feel the pinch on their budgets and are unable to put as much aside. JP Morgan reported that American households have just $900 billion left in excess savings, down from a peak of $2.1 trillion during the pandemic.
- Total share balances at Iowa credit unions grew 10.0% year-over-year to stand just under $26.0 billion as of December 31. This is the slowest annual growth rate since the pandemic began. With personal savings rates near all time lows, members are tapping into their shares to cover spending — whether for big purchases or to keep up with inflation.
- After multiple years of declining demand, Iowa credit union members are turning back to share certificate accounts, as some credit unions offer rate promotions on these termed products to attract liquidity. Certificate balances grew 46.0% on Iowa credit union balance sheets across 2022, and comprise 25.7% of Iowa deposit portfolios. This is up from a 19.3% concentration one year ago.
- Core deposit account types shrank on Iowa balance sheets. Core deposits — drafts, regular shares, and money markets — combined to decline 3.5% throughout the year as many members struggled to save.
- Iowa's loan-to-share ratio climbed 11.9 percentage points year-over-year to 101.0%, as loan growth outpaced share growth. In other words, credit unions in the state are now lending $1.01 for every dollar held on deposit, in line with pre-pandemic levels. The excess loans are funded by borrowings, which fund 8.2% of assets at Iowa credit unions.
- Iowa credit unions have historically been more reliant on borrowing to fund lending programs, ranking second among states in borrowings per dollar of assets. An important way to source funds as liquidity dries up, borrowings in the state are up 162.3% year-over-year. 20 of Iowa's 79 credit unions utilize borrowings to fund asset growth, up from 15 a year ago. With more certificates and borrowings, the state industry's cost of funds rose 17 basis points year-over-year to 0.89%.

LOAN-TO-SHARE RATIO FOR IOWA CREDIT UNIONS VS. PEERS



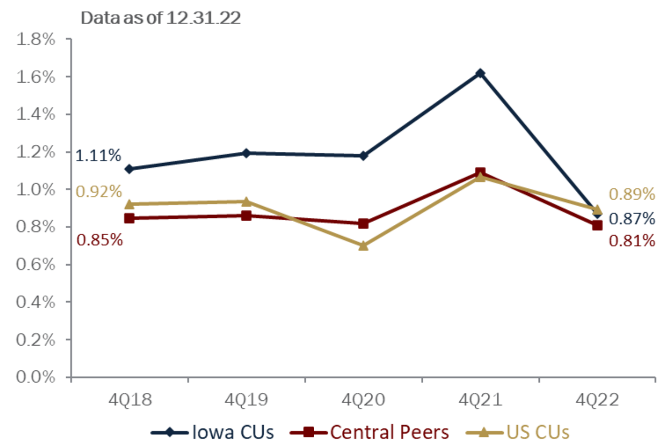
AVERAGE COST OF FUNDS FOR IOWA CREDIT UNIONS VS. PEERS



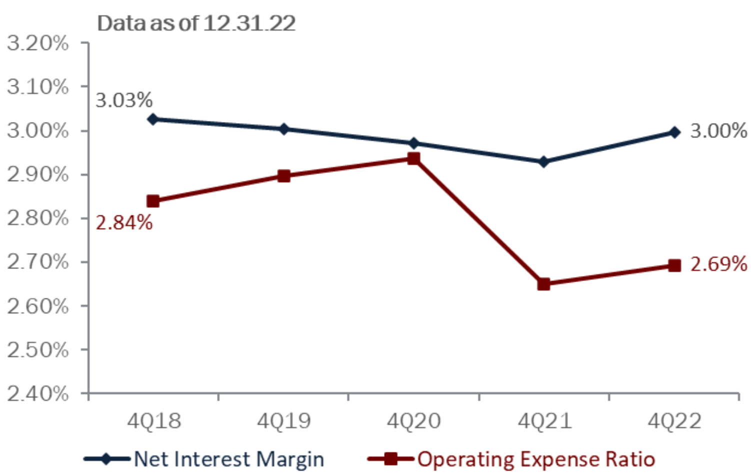
** Central Peers includes credit unions located in the states of ND, SD, NE, KS, MO, IL, WI, and MN.*

EARNINGS

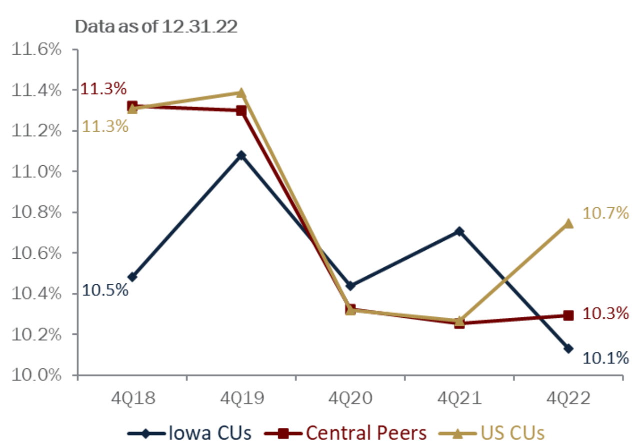
RETURN ON ASSETS
FOR IOWA CREDIT UNIONS VS. PEERS



NET INTEREST MARGIN VS. OPERATING EXPENSE RATIO
FOR IOWA CREDIT UNIONS



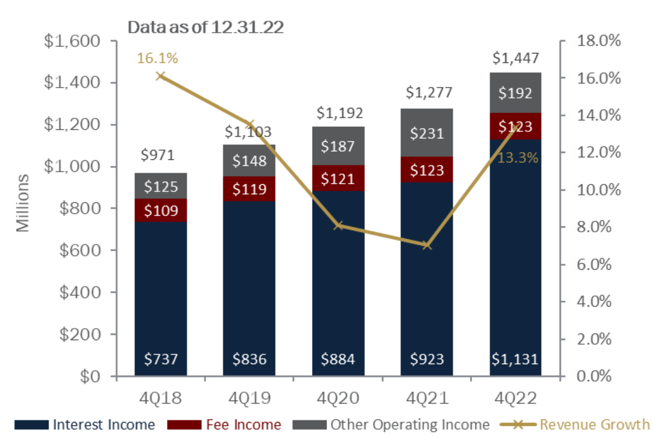
NET WORTH RATIO
FOR IOWA CREDIT UNIONS VS. PEERS



Earnings Trends

- Despite high financing costs slowing originations, loan balances expanded at record rates in 2022. Cash-strapped members paid down loans at a slower rate, and lending institutions sold less loans to secondary markets, which combined to keep more loans on the books for longer terms. The boost in interest income from these held loans is good for earnings, but higher delinquency and a stubbornly tight labor market could pose headwinds to earnings if they persist.
- Operating expenses at Iowa credit unions grew 17.1% year-over-year. This is in lockstep with the largest operational category — employee compensation — which grew 16.3% annually alongside 7.0% expansion in staff counts and 8.7% higher average salaries. All major expense categories increased on an annual basis as Iowa credit unions spent to help support a growing membership. The operating expense ratio — or how much a credit union is spending to manage each dollar of assets — increased 4 basis points annually to 2.69%.
- Higher interest rates and loan-to-share ratios combined to push the state's net interest margin up 7 basis points year-over-year to 3.00%. Core interest spreads still exceed the operating expense ratio by 31 basis points, an enviable situation.
- Non-interest income fell 10.8% year-over-year, comprising just 21.8% of 2022 revenue totals at Iowa credit unions, down 5.9 percentage points from a year ago. Fee income softened this decline, up 0.40% annually — likely caused by members paying fees for over-drafting their accounts in a low-savings environment. The growth in fee income was offset by shrinking "other operating" income, which fell 16.8% annually due to reduced secondary market loan sales.
- Provision expenses at Iowa credit unions increased 242.9% year-over-year as cooperatives set aside money to cover rising delinquency, which spiked in the fourth quarter.
- Greater interest income was offset by higher operations and provision expenses to push ROA down 75 basis points year-over-year at Iowa credit unions, to 0.87%. The state's collective net worth ratio fell to 10.1%, with 78 out of 79 cooperatives holding above the traditional regulatory threshold of 7.0%.

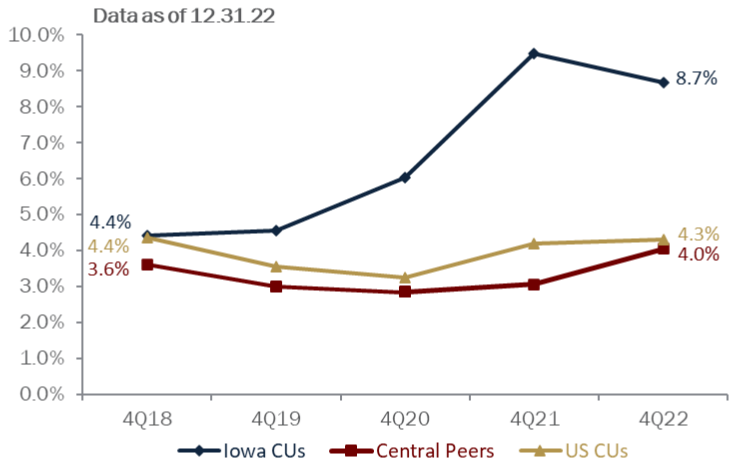
REVENUE GROWTH
FOR IOWA CREDIT UNIONS



** Central Peers includes credit unions located in the states of ND, SD, NE, KS, MO, IL, WI, and MN.*

MEMBERS

MEMBER GROWTH
FOR IOWA CREDIT UNIONS VS. PEERS

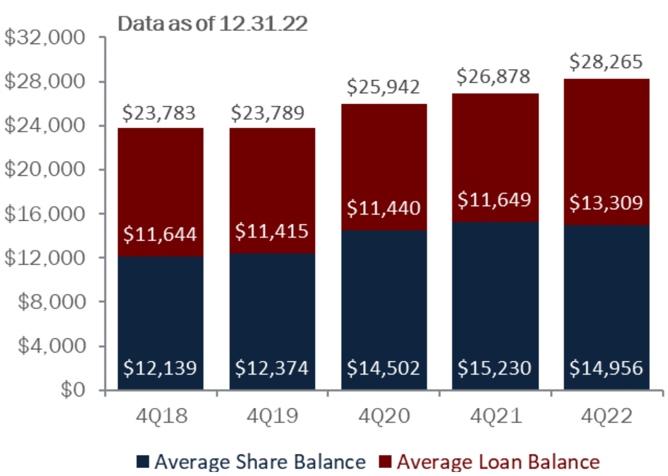


PENETRATION RATES
FOR IOWA CREDIT UNIONS

Data as of 12.31.22

	Real Estate	Credit Card	Auto	Share Draft
4Q17	8.9%	19.4%	30.7%	57.2%
4Q22	8.2%	19.1%	30.5%	55.8%
Change	-0.7%	-0.3%	-0.2%	-1.4%

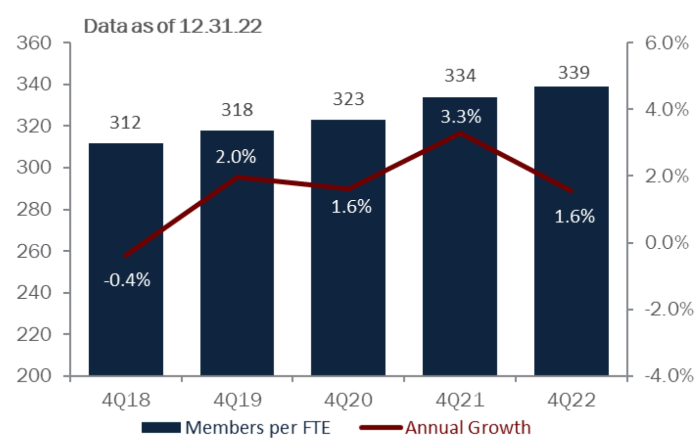
AVERAGE MEMBER RELATIONSHIP
FOR IOWA CREDIT UNIONS



Member Trends

- Given the economic turbulence prevalent throughout 2022 and into 2023, many members face significant financial strain and overall economic uncertainty. Credit unions have a real opportunity to stand apart from other financial institutions by focusing on what sets them apart — their purpose.
- Nationally, credit unions grew membership by 4.3% year-over-year. The industry's average member relationship — average share balance plus average loan balance — continued to deepen, up 4.8% year-over-year to stand at $23,629.
- In Iowa, credit unions added 126,179 members since the end of last year, good for 8.7% annual growth. As it stands, there are nearly 1.6 million Iowan credit union members. Iowa membership growth exceeds national and central peers, due in part to increased indirect loan sourcing.
- Iowa credit unions deepened their existing relationships with members in the fourth quarter. The average member relationship reached $28,265 across Iowa credit unions, up 5.2% annually. Average loan balances per member expanded 14.3% year-over-year, while average share balances per member shrank 1.8%. Despite slower deposit growth, Iowa cooperatives paid $117 in dividends per member in 2022 — up from $99 in 2021 — as portfolios repriced slightly.
- Penetration rates fell across the board over the past five years. With a pandemic, microchip shortage, and an increasingly expensive real estate market, many Iowa members and credit unions are still in the midst of recovery. Additionally, a surge of new members can suppress penetration rates, as it takes some time to cross-sell into multiple product types. As indirect lending grows in popularity, a wider umbrella of members are financing auto loans through an Iowa credit union; thus the relatively smaller contraction in auto loan penetration.
- Iowa credit unions hired in 2022, improving from a slowdown in staff counts during the pandemic. The number of members per FTE was 339 at year-end, up from 334 last year — cooperatives continue to provide excellent member service without raising operating expenses. As membership deepens at Iowa credit unions, a network of supportive employees becomes more valuable.

MEMBERS PER FULL-TIME EQUIVALENT EMPLOYEE (FTE)
FOR IOWA CREDIT UNIONS



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SPECIAL SECTION — A YEAR IN REVIEW: 2022 V. 2021 LENDING DYNAMICS

U.S. Credit Unions

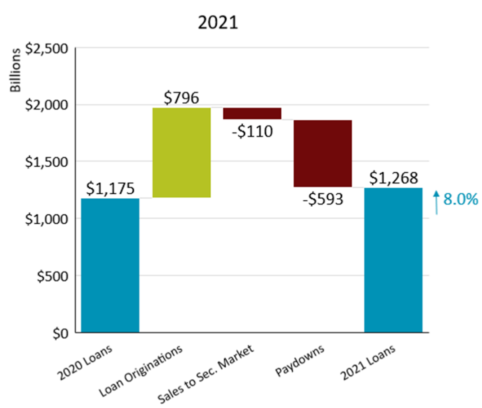
The past two years were a wild ride U.S. credit union lending programs. While 2021 was a year of record share growth as economic relief flooded American's pockets with cash (many of whom had little intention of spending it), it was also the year of loan originations. Credit unions granted the most loans ever in a single calendar year by a wide margin, both in number and dollar terms. Meanwhile, 2022 was successful for in shockingly different ways. As rates and price inflation rose, difficult times forced members to save less, and deposits dried up. To help cover costs, members still needed to borrow, and credit unions met their needs even at higher rates. More loans stayed on the balance sheet, allowing credit unions to grow balances at record rates despite fewer new originations than in the year prior.

2021 Lending Dynamics

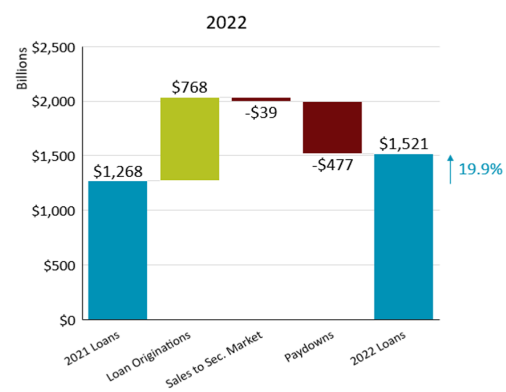
Over $796 billion in loans were granted by credit unions in 2021 – a record year for the industry. Pandemic-related factors and a near-zero Federal Funds Rate spurred Americans toward homeownership throughout 2021. Despite record originations, loan balances outstanding grew only 8.0% as credit unions did not want to hold on to these low-rate loans and take on the interest rate risk. Naturally, credit unions opted to sell them to the secondary market; 34.9% of first mortgages originated by credit unions were sold in 2021. Additionally, savings grew in 2021 – mainly from Federal Relief — and a portion of this money was used to pay down loan balances nearly as fast as they were originated.

A wave of refinances came in from consumers eager to take advantage of low rates while they lasted. According to the Mortgage Bankers Association, 59% of first mortgage originations in 2021 were refinances, compared to only 30% for 2022. In the fourth quarter of 2022 alone, only 17% of first mortgage originations were refinances. This dynamic was driven by higher rates in 2022 – the average 30-year fixed rate mortgage ended the year at 6.4%, compared to 3.1% at year-end 2021.

2021 LOAN BALANCE SHEET ACTIVITY | FOR ALL U.S. CUs
Callahan Peer-to-Peer Analytics | Data as of 12.31.21



2022 LOAN BALANCE SHEET ACTIVITY | FOR ALL U.S. CUs
Callahan Peer-to-Peer Analytics | Data as of 12.31.22



2022 Lending Dynamics

2022 started off much like 2021. In fact, through the first half of 2022, credit unions were on pace to set another annual record for originations (in dollar terms). This time, however, it was consumer loans that were leading the charge. First mortgages lost some steam due to a combination of tightening supply and the Federal Reserve raising benchmarks rate to fight inflation. The latter factor was a year-long story that began in March 2022, and drove many Americans out of the homebuying marketplace. At year-end 2021, the National Association of Realtor's Housing Affordability Index stood at 142.2 (a reading above 100 on the index means homes are more affordable). Affordability plunged as rates rose, and the index spent most of the second half of 2022 below 100. One saving grace for real estate originations was "other real estate" – mainly HELOCs – which offset part of the slowdown in first mortgage pipelines as members tapped into equity.

The big story in 2022 was that loan balance growth was considerably higher than in 2021, despite lower originations. Loans grew 19.9% year-over-year in 2022 – over double the 8.0% growth in 2021 and a record for the industry. This was primarily caused by two factors: fewer early loan paydowns and fewer loans sold to the secondary market. Rising cost of living and lower rates on existing loans dampened members' willingness to paydown loans early. For credit unions, higher interest rates incentivized the holding of more loans on the balance sheet. In 2022, only 21.0% of first mortgages were sold to the secondary market, compared to 34.9% in 2021.

Auto Lending

In 2022, auto lending drove loan growth at credit unions. The previous year, consumers were plagued by high prices and tight inventory; the results of a microchip shortage that limited automotive manufacturing capabilities. While not entirely resolved, the shortage eased significantly since its 2021 peak, and credit unions were ready to help get members into cars. Cooperatives' efforts paid off, as their share of the auto market expanded 6.8 percentage points from 2021 to 24.9%, according to Experian's AutoCount reports. Within the industry, outstanding auto loan balances increased 20.0% year-over-year, with new auto growth outpacing used auto for the first time since 2019. Growth on all counts was boosted by indirect lending. Indirect loans accounted for a record 54.9% of total auto loan balances at year-end 2022, as credit unions rebooted these channels after two years of record share growth. As liquidity dries up, these strategies may need to change.

Looking forward into 2023, credit unions will have to adjust to a new dynamic. As loan balances swell and new deposits are few and far between, many cooperatives are facing an impending liquidity crunch. As costs of living rise, credit unions may be faced with members struggling to make on-time payments. Empathy and a focus on member saving initiatives may be the keys to success in the times ahead.

SPECIAL SECTION — A YEAR IN REVIEW: 2022 V. 2021 LENDING DYNAMICS

Iowa Credit Unions

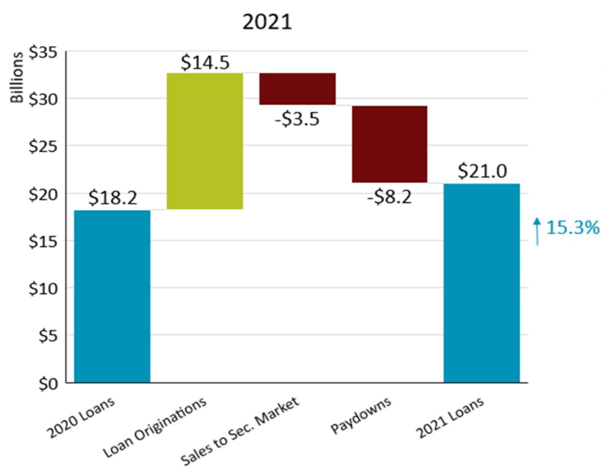
2021 Lending Dynamics

Like their national peers, Iowa credit unions achieved a record year in loan originations in 2021. Pipelines surpassed $14.4 billion, good for 14.4% annual growth from 2020. While Iowans certainly pursued homeownership at historically low interest rates, this growth predominantly was driven by consumer loans. Real estate originations grew 12.2% between 2020 and 2021, while consumer originations expanded 16.1% over the same period.

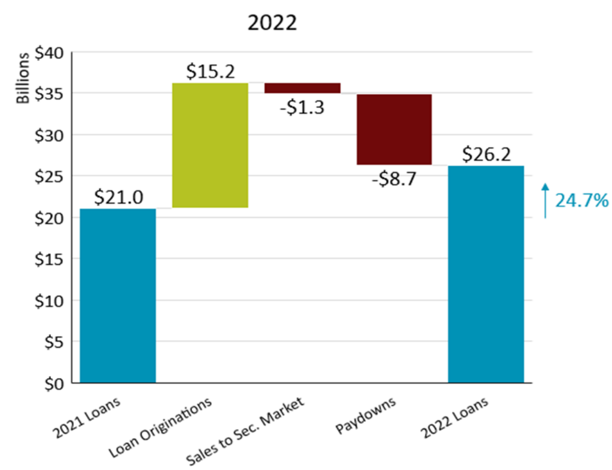
However — unlike like the industry at large — credit unions in the state experienced high loan balance growth in 2021. Loan balances outstanding grew at a faster rate than originations, up 15.3% year-over-year. Still, incoming loans bore low rates, leading Iowa credit unions to sell 57.9% of real estate originations to the secondary market. This is down 18.8 percentage points from the previous year, when cooperatives sold over three-quarters of real estate originations.

Despite the low rates, members were not so eager to take out a HELOC or second mortgage; these comprised only 13.6% of total real estate loans outstanding. By year-end 2021, Iowa credit unions had been reporting a decline in these loan types as a percentage of real estate loans dating back to 2015.

2021 LOAN BALANCE SHEET ACTIVITY | FOR ALL IOWA CUs
Callahan Peer-to-Peer Analytics| Data as of 12.31.21



2022 LOAN BALANCE SHEET ACTIVITY | FOR ALL IOWA CUs
Callahan Peer-to-Peer Analytics| Data as of 12.31.22



2022 Lending Dynamics

Iowa credit unions recorded yet another record year of origination dollars in 2022. Inflated home prices, tighter inventory, and higher mortgage rates resulted in growth of just 2.8% in real estate originations. According to Redfin data, the number of homes sold in the state is down 24.7% year-over-year. The number of homes available for sale also decreased 7.6%. Overall, the estimated supply is just two months' worth – six months is considered balanced – indicating a strong seller's market in the state.

Iowa credit unions reported significantly higher growth in outstanding loan balances for much of the same reasons as their national peers — Iowa credit unions sold just 20.8% of real estate originations to the secondary market in 2022. Members were also slower to pay down debt, helping keep those loans on credit union balance sheets. Relatedly, inflation not only decreased consumers' personal savings rate but made it more difficult for Iowans to make on-time payments; delinquency rates rose 20 basis points over the past 12 months. Delinquency rates for the two largest slices of Iowa credit union loan portfolios — first mortgages and used auto loans — rose 15 and 49 basis points, respectively.

While first mortgages led loan growth in the state, autos followed closely. Total auto balances expanded 23.8% from 2021. While the microchip shortage affected lenders across the country, Iowa credit unions combated this by leaning heavily into indirect lending. Indirect auto lending as a percentage of total auto loans has increased nearly 30 percentage points over the past 10 years to 71.8%. Indirect loans are growing overall, expanding 33.1% year-over-year. Indirect channels remain an effective strategy for credit unions in the state, helping credit unions capture an additional 6.4 percentage points of state auto market share over the past year.

Despite maintaining above-average share growth, deposits are still slowing, and strong loan balance growth continues to tighten liquidity for Iowa cooperatives. With the personal savings rate at levels similar to the Great Recession, credit unions are starting to experience credit line loan growth — through both cards and HELOCs — as members seek help with their expenses in the coming quarters. With high rates and tight supply, mortgages may become even less affordable for many members, leading to further slowdowns in the purchasing market and discouraging refinances. Iowa credit unions may be able to sustain double-digit loan growth through auto loans, though they risk relying too heavily on indirect lending, an expensive method that leads to more fickle membership. Overall, another year of record loan growth may not be what credit unions need in 2023. Instead, a focus on savings and doubling down on existing member service can help credit unions reestablish their foundation as beacons of financial support, in times when many American's may need stability more than ever.

ALL U.S.

CONSOLIDATED U.S. CREDIT UNION FINANCIAL STATEMENT | ALL U.S. CREDIT UNIONS AS OF DECEMBER 31, 2022 (THOUSANDS OF DOLLARS)

	December 2021	December 2022	% Chg
Assets			
Cash Balances	257,739,007	131,532,205	-48.97%
Government & Agency Securities	358,788,663	346,136,526	-3.53%
Investments at Other FIs	40,714,588	50,085,048	23.01%
All Other Investments	64,035,535	45,277,900	-29.29%
Total Investments	721,277,793	573,031,678	-20.55%
Real Estate Loans	663,859,119	798,162,944	20.23%
Auto Loans	402,120,932	490,361,819	20.01%
All Other Loans	190,476,621	232,458,279	18.65%
Total Loans	1,235,645,050	1,520,983,042	19.92%
(Loan Loss Allow)	(11,070,443)	(11,638,794)	-5.13%
Foreclosed & Repossessed Property	406,517	521,093	28.18%
Land & Buildings	29,426,353	30,540,784	3.79%
Other Fixed Assets	6,560,262	8,470,574	29.12%
All Other Assets	68,404,546	68,277,286	-0.19%
Total Assets	2,083,377,464	2,190,185,663	5.13%
Liabilities & Capital			
Dividends Payable	329,418	440,482	33.72%
Notes Payable	41,278,391	95,478,613	131.30%
Reverse Repurchase Agreements	2,201,258	706,852	-67.89%
Subordinated Debt (not in Net Worth)	947,520	3,380,683	256.79%
Other Liabilities	21,580,232	28,598,613	32.52%
Total Liabilities	66,336,819	128,605,243	93.87%
Regular Shares & Deposits	691,899,967	702,113,912	1.48%
Money Market Shares	411,170,088	398,148,384	-3.17%
Share Drafts	371,956,321	386,718,588	3.97%
IRA & Keogh	83,938,999	83,048,921	-1.06%
Share Certificates	250,015,318	299,377,955	19.74%
Total Shares	1,808,980,693	1,869,407,760	3.34%
Undivided Earnings & Other Reserves	207,493,895	225,593,221	8.72%
FASB 115 Val Reserves	(5,157,459)	(40,095,097)	-677.42%
Equity Acquired in Merger	5,723,516	6,674,535	16.62%
Total Reserves & Undivided Earnings	208,059,952	192,172,659	-7.64%
Total Liabilities & Capital	2,083,377,464	2,190,185,663	5.13%

	12 Months Ended December 2021	12 Months Ended December 2022	% Chg
Income			
Loans	53,934,736	62,066,941	15.08%
(Less Rebates)	(54,051)	(57,622)	-6.61%
Investments	5,691,365	10,121,874	77.85%
Fee Income	9,087,990	9,709,642	6.84%
Trading + Other Operating	16,421,686	14,119,134	-14.02%
Total Income	85,081,725	95,959,970	12.79%
Expenses			
Employee Compensation & Benefits	28,985,636	31,460,680	8.54%
Travel & Conference	276,907	451,056	62.89%
Office Occupancy	3,477,419	3,673,029	5.63%
Office Operations	10,248,804	11,031,450	7.64%
Education & Promotional	2,102,590	2,363,776	12.42%
Loan Servicing	3,842,887	4,208,164	9.51%
Professional Services	4,912,805	5,443,788	10.81%
Member Insurance	28,961	29,880	3.17%
Operating Fees	215,295	202,823	-5.79%
Miscellaneous	1,676,232	2,004,613	19.59%
Operating Expense Subtotal	55,767,537	60,869,259	9.15%
Provision for Loan Losses	1,219,388	5,333,025	337.35%
Operating Expense + PLL	56,986,925	66,202,284	16.17%
Non-Operating Gain (Loss)	1,367,033	243,167	-82.21%
Income before Dividends	29,461,833	30,000,852	1.83%
Interest on Borrowed Funds	871,950	2,105,556	141.48%
Dividends	7,591,403	8,876,583	16.93%
Net Income	20,998,480	19,018,713	-9.43%
			% Chg
Total Number Of Credit Unions	5,048	4,863	-3.66%
# of FCUs	3,100	2,980	-3.87%
# of SCUs — Federally Insured	1,842	1,780	-3.37%
# of SCUs — Cooperatively Insured	106	103	-2.83%
Members	130,955,436	136,585,789	4.30%
FTE Employees	327,518	343,760	4.96%
Average Loan Balance	16,013	17,037	6.39%
Average Share Balance	13,728	13,530	-1.44%

ALL U.S.

U.S. CREDIT UNION PERFORMANCE BY ASSET RANGE | ALL U.S. CREDIT UNIONS AS OF DECEMBER 31, 2022

	U.S. Totals	Under $20M	$20M-$50M	$50M-$100M	$100M-$250M	$250M-$500M	$500M-$1B	Over $1B
# of CUs	4,863	1,493	872	673	714	392	292	427
Average Asset Size (000s)	$450,377	$7,740	$33,304	$72,809	$159,192	$353,541	$721,708	$3,835,125
12-MONTH GROWTH								
Capital Growth	-5.86%	1.51%	1.52%	0.07%	-3.83%	-6.87%	-4.46%	-5.91%
Loan Growth	19.92%	11.07%	12.19%	14.30%	15.10%	16.87%	18.92%	21.61%
Share Growth	3.34%	-1.00%	0.76%	1.73%	2.36%	3.15%	3.64%	4.21%
Member Growth	4.30%	-1.34%	-0.75%	0.02%	0.90%	2.15%	3.04%	6.31%
CAPITAL								
Capital/Assets	9.46%	14.99%	11.73%	11.09%	9.91%	9.18%	9.37%	9.34%
Solvency Ratio	113.31%	117.80%	113.53%	112.94%	111.98%	111.72%	112.60%	113.61%
Allow. For Loan Losses/Del. Loans	124.93%	87.15%	81.85%	96.84%	103.71%	114.69%	115.47%	129.65%
Delinquency Ratio	0.61%	1.17%	0.88%	0.69%	0.59%	0.52%	0.56%	0.62%
EARNINGS								
ROA	0.89%	0.25%	0.46%	0.63%	0.68%	0.77%	0.82%	0.95%
Non-Interest Income/Avg. Assets	1.13%	0.89%	1.02%	1.22%	1.27%	1.32%	1.38%	1.07%
Net Interest Margin	2.87%	2.76%	2.69%	2.75%	2.82%	2.88%	2.90%	2.88%
Operating Expenses/Avg. Assets**	2.86%	3.25%	3.14%	3.21%	3.27%	3.27%	3.27%	2.72%
Yield on Average Earning Assets	3.58%	3.13%	3.06%	3.17%	3.32%	3.45%	3.53%	3.64%
Cost of Funds	0.58%	0.33%	0.27%	0.29%	0.33%	0.40%	0.47%	0.64%
PRODUCTIVITY								
YTD Income per Employee (000s)	$279	$115	$177	$193	$198	$215	$239	$312
YTD Income per Member	$703	$287	$427	$498	$579	$641	$686	$744
YTD Operating Exp. per Member	$446	$250	$346	$388	$437	$465	$481	$447
Assets per Employee (000s)	$6,371	$3,084	$4,575	$4,732	$4,636	$4,875	$5,270	$7,108
YTD Loan Originations ($) per Empl. (000s)	$2,235	$803	$1,078	$1,184	$1,266	$1,482	$1,737	$2,620
MEMBER SERVICE USAGE								
Auto Loan Penetration*	27.61%	33.37%	120.63%	64.54%	54.95%	40.47%	25.77%	20.07%
Share Draft Penetration*	61.47%	21.85%	44.37%	49.58%	55.29%	57.81%	59.73%	64.20%
Credit Card Penetration*	18.01%	4.22%	10.11%	11.88%	13.23%	14.33%	14.62%	19.97%
$ Average Share Balance	$13,530	$6,462	$9,654	$10,616	$11,856	$12,639	$12,873	$14,195
# of Share & Loan Accts per Member	2.59	1.97	3.20	2.75	2.75	2.65	2.47	2.57
LENDING PROFILE								
Loans to Shares	81.36%	55.97%	55.70%	61.27%	68.03%	74.73%	80.69%	84.28%
% of RE Loans to Total Loans	52.48%	12.96%	31.27%	39.69%	44.01%	47.95%	50.41%	54.32%
$ Average Loan Balance	$17,037	$5,985	$3,525	$6,455	$8,860	$12,504	$17,697	$20,529
Total Loans per Employee (000s)	$4,425	$1,464	$2,238	$2,552	$2,791	$3,207	$3,680	$5,071

**For CUs under $20M, only those with at least one respective account are included in the calculation*
***Excludes stabilization expenses*

IOWA

CONSOLIDATED IOWA CREDIT UNION FINANCIAL STATEMENT | ALL IOWA CREDIT UNIONS AS OF DECEMBER 31, 2022*

	December 2021	December 2022	% Chg
Assets			
Cash Balances	2,783,934,927	1,699,177,375	-38.96%
Government & Agency Securities	1,154,685,382	1,044,155,932	-9.57%
Investments at Other FIs	616,559,378	639,446,498	3.71%
All Other Investments	800,811,708	782,534,464	-2.28%
Total Investments	5,355,991,395	4,165,314,269	-22.23%
Real Estate Loans	11,461,472,862	14,673,575,501	28.03%
Auto Loans	7,138,408,040	8,839,762,906	23.83%
All Other Loans	2,434,004,593	2,725,888,225	11.99%
Total Loans	21,033,885,495	26,239,226,632	24.75%
(Loan Loss Allow)	(141,005,228)	(173,834,092)	-23.28%
Foreclosed & Repossessed Property	7,993,497	10,520,023	31.61%
Land & Buildings	475,228,250	511,304,973	7.59%
Other Fixed Assets	86,457,698	97,021,419	12.22%
All Other Assets	936,142,370	1,049,386,551	12.10%
Total Assets	27,754,693,477	31,898,939,775	14.93%
Liabilities & Capital			
Dividends Payable	4,885,541	11,109,745	127.40%
Notes Payable	932,463,382	2,548,676,941	173.33%
Reverse Repurchase Agreements	0	0	0.00%
Subordinated Debt (not in Net Worth)	63,500,000	63,500,000	0.00%
Other Liabilities	242,049,586	293,692,782	21.34%
Total Liabilities	1,242,898,509	2,916,979,468	134.69%
Regular Shares & Deposits	8,841,203,254	8,349,926,146	-5.56%
Money Market Shares	5,543,952,896	4,716,883,018	-14.92%
Share Drafts	3,763,309,234	5,277,811,094	40.24%
IRA & Keogh	902,917,993	972,084,200	7.66%
Share Certificates	4,566,717,489	6,668,161,389	46.02%
Total Shares	23,618,100,866	25,984,865,847	10.02%
Undivided Earnings & Other Reserves	2,880,279,233	3,139,597,543	9.00%
FASB 115 Val Reserves	(16,753,861)	(172,810,217)	931.47%
Equity Acquired in Merger	30,168,730	30,307,134	0.46%
Total Reserves & Undivided Earnings	2,893,694,102	2,997,094,460	3.57%
Total Liabilities & Capital	27,754,693,477	31,898,939,775	14.93%

	12 Months Ended December 2021	12 Months Ended December 2022	% Chg
Income			
Loans	875,487,202	1,054,548,934	20.45%
(Less Rebates)	(462,010)	(423,375)	8.36%
Investments	47,747,975	77,121,421	61.52%
Fee Income	122,915,426	123,405,004	0.40%
Trading + Other Operating	230,905,656	192,337,211	-16.70%
Total Income	1,276,594,249	1,446,989,195	13.35%
Expenses			
Employee Compensation & Benefits	363,471,585	422,874,111	16.34%
Travel & Conference	4,644,362	6,130,201	31.99%
Office Occupancy	47,403,938	52,191,513	10.10%
Office Operations	104,116,910	124,393,134	19.47%
Education & Promotional	39,028,402	44,194,752	13.24%
Loan Servicing	62,646,923	68,599,219	9.50%
Professional Services	59,145,617	67,769,763	14.58%
Member Insurance	265,449	59,869	-77.45%
Operating Fees	2,544,376	2,667,511	4.84%
Miscellaneous	2,501,275	14,271,037	470.55%
Operating Expense Subtotal	685,768,837	803,151,110	17.12%
Provision for Loan Losses	31,188,903	106,933,998	242.86%
Operating Expense + PLL	716,957,740	910,085,108	26.94%
Non-Operating Gain (Loss)	24,524,578	(39,894,107)	-262.67%
Income before Dividends	584,161,087	497,009,980	-14.92%
Interest on Borrowed Funds	20,273,818	53,050,022	161.67%
Dividends	144,585,171	184,563,472	27.65%
Net Income	419,302,098	259,396,486	-38.14%
Total Number Of Credit Unions	81	79	-2.47%
# of FCUs	2	2	0.00%
# of SCUs — Federally Insured	79	77	-2.53%
# of SCUs — Cooperatively Insured	0	0	0.00%
Members	1,453,121	1,579,300	8.68%
FTE Employees	4,355	4,661	7.01%
Average Loan Balance	18,289	17,538	-4.11%
Average Share Balance	15,230	14,956	-1.80%

*Values exclude R.I.A. Federal Credit Union due to them being reported as an Illinois credit union.

IOWA

IOWA CREDIT UNION PERFORMANCE BY ASSET RANGE | ALL IOWA CREDIT UNIONS AS OF DECEMBER 31, 2022

	Iowa Totals	Under $20M	$20M-$100M	Over $100M
# of CUs	79	23	31	25
Average Asset Size (000s)	$403,784	$4,881	$51,344	$1,207,801
12-MONTH GROWTH				
Capital Growth	4.40%	-0.99%	1.74%	4.63%
Loan Growth	24.75%	5.37%	10.58%	25.39%
Share Growth	10.02%	-3.69%	2.66%	10.55%
Member Growth	8.68%	-3.86%	-1.25%	9.91%
CAPITAL				
Capital/Assets	10.14%	17.44%	11.34%	10.05%
Solvency Ratio	115.28%	121.00%	113.05%	115.39%
Allow. For Loan Losses/Del. Loans	102.77%	162.11%	69.49%	104.23%
Delinquency Ratio	0.64%	0.86%	0.88%	0.64%
EARNINGS				
ROA	0.87%	0.15%	0.51%	0.89%
Non-Interest Income/Ave. Assets	0.92%	0.37%	0.99%	0.92%
Net Interest Margin	3.00%	2.58%	2.69%	3.02%
Operating Expenses/Ave. Assets**	2.69%	2.75%	3.04%	2.67%
Yield on Average Earning Assets	4.02%	3.02%	3.22%	4.06%
Cost Of Funds	0.89%	0.46%	0.40%	0.92%
PRODUCTIVITY				
YTD Income per Employee (000s)	$310	$107	$207	$320
YTD Income per Member	$916	$251	$504	$959
YTD Operating Exp. per Member	$509	$207	$379	$523
Assets per Employee (000s)	$6,845	$3,162	$5,176	$6,994
YTD Loan Originations ($) per Empl. (000s)	$3,256	$840	$1,426	$3,406
MEMBER SERVICE USAGE				
Auto Loan Penetration*	30.50%	18.77%	21.67%	31.40%
Share Draft Penetration*	55.84%	17.33%	51.62%	56.62%
Credit Card Penetration*	19.08%	2.90%	7.25%	20.28%
$ Average Share Balance	$14,956	$6,145	$10,981	$15,397
# of Share & Loan Accts per Member	2.92	1.67	2.27	3.00
LENDING PROFILE				
Loans to Shares	100.98%	59.87%	64.57%	103.21%
% of RE Loans to Total Loans	55.92%	3.87%	40.08%	56.60%
$ Average Loan Balance	$17,538	$10,643	$15,830	$17,631
Total Loans per Employee (000s)	$5,630	$1,571	$2,935	$5,855

*For CUs under $20M, only those with at least one respective account are included in the calculation.

** Excludes stabilization expenses

UNDER $20 MILLION (23 CREDIT UNIONS)

IOWA CREDIT UNION LEADERS | ALL IOWA CUS UNDER $20 MILLION IN ASSETS AS OF DECEMBER 31, 2022

12-MONTH SHARE GROWTH

	Credit Union	Share Growth*	Shares
1	Waterloo Firemen's	11.13%	$2,754,635
2	Industrial Employees	9.13%	$8,809,164
3	Lee County	8.91%	$2,964,707
4	NGPL Employees	6.09%	$1,770,322
5	Du Pont Employees	4.92%	$4,453,368
6	Morrison Employees	3.23%	$1,351,009
7	Davenport Police Department	1.06%	$4,551,856
8	North Western Employees	1.03%	$7,748,723
9	Burlington Municipal Employees	0.82%	$4,417,148
10	Teamsters Local #238	0.62%	$9,103,562
	Iowa Average	-3.69%	
	National Average	-1.00%	

CAPITAL/ASSETS

	Credit Union	Capital/Assets	Assets
1	Gas & Electric Employees	39.63%	$4,953,976
2	NGPL Employees	32.94%	$2,600,118
3	KAH	32.91%	$1,555,538
4	SECU	30.45%	$1,685,008
5	St. Ludmilas	30.44%	$378,213
6	Morrison Employees	28.83%	$1,868,617
7	Lee County	23.02%	$3,828,115
8	Des Moines Fire Department	21.01%	$3,854,469
9	Warren	19.95%	$4,245,125
10	North Western Employees	19.36%	$9,561,611
	Iowa Average	17.44%	
	National Average	14.99%	

12-MONTH LOAN GROWTH

	Credit Union	Loan Growth*	Loans
1	Morrison Employees	95.76%	$225,314
2	Lee County	23.55%	$2,489,977
3	SECU	20.51%	$1,121,309
4	Allen Hospital Personnel	13.77%	$3,541,249
5	Du Pont Employees	13.24%	$3,626,993
6	Dubuque Postal Employees	12.69%	$1,648,943
7	ACE	10.00%	$1,906,167
8	Gas & Electric Employees	9.91%	$2,963,822
9	St. Ludmilas	9.23%	$247,463
10	North Western Employees	8.53%	$4,959,467
	Iowa Average	5.37%	
	National Average	11.07%	

RETURN ON ASSETS

	Credit Union	ROA	Assets
1	North Western Employees	0.83%	$9,561,611
2	Industrial Employees	0.80%	$10,554,169
3	Lee County	0.75%	$3,828,115
4	Gas & Electric Employees	0.58%	$4,953,976
5	Burlington Municipal Employees	0.52%	$4,980,189
6	Polk County	0.44%	$6,482,443
7	Allen Hospital Personnel	0.40%	$5,782,071
8	Warren	0.39%	$4,245,125
9	Dubuque Postal Employees	0.38%	$5,230,606
10	Waterloo Firemen's	0.36%	$3,055,264
	Iowa Average	0.15%	
	National Average	0.25%	

12-MONTH MEMBER GROWTH

	Credit Union	Member Growth*	Members
1	Du Pont Employees	3.56%	553
2	Dubuque Postal Employees	2.79%	295
3	Burlington Municipal Employees	2.11%	628
4	Waterloo Firemen's	1.54%	329
5	Teamsters Local #238	1.04%	1,755
6	St. Ludmilas	0.93%	108
7	SECU	0.83%	732
8	Morrison Employees	0.70%	143
9	North Western Employees	0.65%	1,239
10	Lee County	0.33%	604
	Iowa Average	-3.86%	
	National Average	-1.34%	

LOANS/SHARES

	Credit Union	Loans/Shares	Assets
1	Gas & Electric Employees	98.26%	$4,953,976
2	SECU	95.06%	$1,685,008
3	Muni Employees	93.42%	$660,472
4	St. Ludmilas	92.44%	$378,213
5	Burlington Municipal Employees	91.17%	$4,980,189
6	Polk County	84.25%	$6,482,443
7	Lee County	83.99%	$3,828,115
8	Waterloo Firemen's	81.46%	$3,055,264
9	Du Pont Employees	81.44%	$5,159,638
10	Des Moines Fire Department	79.58%	$3,854,469
	Iowa Average	59.87%	
	National Average	55.97%	

*Note: For growth tables, credit unions that have had a substantial merger in the previous 12 months are excluded. A substantial merger is a merger where the assets of the acquired credit union are more than 10% of the assets of the acquiring credit union.

BETWEEN $20 MILLION AND $100 MILLION (31 CREDIT UNIONS)

IOWA CREDIT UNION LEADERS | ALL IOWA CUS BETWEEN $20 MILLION AND $100 MILLION IN ASSETS AS OF DECEMBER 31, 2022

12-MONTH SHARE GROWTH

	Credit Union	Share Growth*	Shares
1	N. W. Iowa	16.34%	$78,284,629
2	Peoples	13.76%	$78,765,011
3	Midland	8.15%	$68,046,705
4	River Valley	7.09%	$82,774,839
5	Journey	5.91%	$72,707,277
6	Iowa Heartland	5.84%	$24,511,750
7	Power Co-op Employees	5.01%	$47,594,830
8	Town And Country	5.00%	$32,430,203
9	Midwest Community	4.91%	$41,250,229
10	Serve	3.55%	$82,907,408
	Iowa Average	2.66%	
	National Average	1.37%	

CAPITAL/ASSETS

	Credit Union	Capital/Assets	Assets
1	Casebine Community	17.61%	$32,195,494
2	Iowa Heartland	16.27%	$29,283,935
3	Power Co-op Employees	16.23%	$56,723,837
4	Capitol View	15.02%	$44,236,535
5	Serve	14.49%	$98,487,694
6	Aegis	14.08%	$22,619,131
7	Journey	13.84%	$84,844,798
8	River Community	13.78%	$25,710,675
9	Meridian	13.63%	$34,587,610
10	Public Employees	13.56%	$33,690,263
	Iowa Average	11.34%	
	National Average	11.33%	

12-MONTH LOAN GROWTH

	Credit Union	Loan Growth*	Loans
1	Holy Ghost Parish	72.00%	$507,325
2	Family Community	28.67%	$5,963,222
3	River Valley	23.80%	$66,527,065
4	Journey	18.93%	$41,868,930
5	Town And Country	18.41%	$29,482,910
6	Midland	17.96%	$52,712,260
7	Meridian	16.42%	$15,280,000
8	Lennox Employees	15.70%	$38,323,366
9	Serve	14.73%	$79,145,974
10	Power Co-op Employees	14.72%	$23,122,876
	Iowa Average	10.58%	
	National Average	13.55%	

RETURN ON ASSETS

	Credit Union	ROA	Assets
1	Journey	1.51%	$84,844,798
2	Aegis	1.27%	$22,619,131
3	Metco	1.09%	$48,591,052
4	Power Co-op Employees	1.03%	$56,723,837
5	Peoples	1.02%	$89,581,544
6	Members Community	0.95%	$79,615,754
7	Serve	0.89%	$98,487,694
8	The Municipal Federal	0.82%	$22,359,882
9	Capitol View	0.81%	$44,236,535
10	Cent	0.79%	$73,219,508
	Iowa Average	0.51%	
	National Average	0.56%	

12-MONTH MEMBER GROWTH

	Credit Union	Member Growth*	Members
1	River Valley	6.24%	6,230
2	Midland	5.21%	4,748
3	Des Moines Metro	4.53%	6,829
4	Fort Dodge Family	3.94%	3,905
5	Lennox Employees	3.66%	6,491
6	Town And Country	3.58%	3,208
7	Power Co-op Employees	3.38%	2,143
8	5 Star Community	2.19%	6,079
9	Members Community	1.40%	7,921
10	Metco	0.75%	3,237
	Iowa Average	-1.25%	
	National Average	-0.29%	

LOANS/SHARES

	Credit Union	Loans/Shares	Assets
1	River Community	99.47%	$25,710,675
2	Cent	96.17%	$73,219,508
3	Serve	95.46%	$98,487,694
4	Town And Country	90.91%	$37,303,831
5	Aegis	88.24%	$22,619,131
6	River Valley	80.37%	$93,266,659
7	Metco	79.19%	$48,591,052
8	Members Community	78.54%	$79,615,754
9	Midland	77.46%	$76,096,210
10	Peoples	76.15%	$89,581,544
	Iowa Average	64.57%	
	National Average	59.20%	

*Note: For growth tables, credit unions that have had a substantial merger in the previous 12 months are excluded. A substantial merger is a merger where the assets of the acquired credit union are more than 10% of the assets of the acquiring credit union.

OVER $100 MILLION (25 CREDIT UNIONS)

IOWA CREDIT UNION LEADERS | ALL IOWA CUS OVER $100 MILLION IN ASSETS AS OF DECEMBER 31, 2022

12-MONTH SHARE GROWTH

	Credit Union	Share Growth*	Shares
1	North Iowa Community	24.16%	$93,690,842
2	GreenState	21.44%	$9,078,133,714
3	Telco Triad Community	13.56%	$120,993,392
4	First Federal	11.83%	$154,494,252
5	Premier	9.61%	$259,487,434
6	Veridian	9.12%	$5,475,775,099
7	Employees	8.39%	$117,084,169
8	North Star	7.96%	$123,138,389
9	DuTrac Community	7.02%	$921,451,534
10	Dupaco Community	6.32%	$2,364,800,984
	Iowa Average	10.55%	
	National Average	3.97%	

CAPITAL/ASSETS

	Credit Union	Capital/Assets	Assets
1	Employees	21.03%	$147,822,214
2	Citizens Community	15.86%	$235,907,734
3	Cedar Falls Community	15.81%	$180,422,713
4	Advantage	14.96%	$105,612,287
5	1st Gateway	12.78%	$167,364,369
6	The Family	12.51%	$238,847,484
7	AIM	12.09%	$162,420,940
8	Community Choice	10.99%	$797,642,555
9	Veridian	10.58%	$6,896,511,342
10	Financial Plus	10.49%	$215,313,838
	Iowa Average	10.05%	
	National Average	9.36%	

12-MONTH LOAN GROWTH

	Credit Union	Loan Growth*	Loans
1	Telco Triad Community	43.32%	$114,710,032
2	Veridian	33.79%	$6,152,033,120
3	Advantage	32.90%	$66,912,042
4	Collins Community	32.58%	$1,263,296,440
5	Financial Plus	30.53%	$129,084,680
6	North Iowa Community	28.74%	$89,897,616
7	North Star	28.26%	$101,929,231
8	GreenState	26.07%	$10,051,778,600
9	Dupaco Community	25.65%	$2,182,703,392
10	Ascentra	22.02%	$377,756,853
	Iowa Average	25.39%	
	National Average	20.72%	

RETURN ON ASSETS

	Credit Union	ROA	Assets
1	Employees	1.65%	$147,822,214
2	Cedar Falls Community	1.26%	$180,422,713
3	Veridian	1.25%	$6,896,511,342
4	GreenState	1.13%	$11,355,212,032
5	Linn Area	1.00%	$621,152,025
6	Community 1st	0.99%	$939,053,154
7	Affinity	0.92%	$144,688,020
8	Premier	0.90%	$287,083,764
9	Financial Plus	0.87%	$215,313,838
10	Advantage	0.83%	$105,612,287
	Iowa Average	0.89%	
	National Average	0.91%	

12-MONTH MEMBER GROWTH

	Credit Union	Member Growth*	Members
1	GreenState	21.84%	411,891
2	Veridian	13.28%	314,394
3	First Federal	9.35%	12,418
4	Dupaco Community	9.24%	155,796
5	DuTrac Community	4.32%	50,718
6	North Iowa Community	4.28%	11,784
7	Premier	3.56%	20,117
8	Telco Triad Community	2.99%	15,173
9	Employees	2.38%	8,553
10	Ascentra	2.30%	42,290
	Iowa Average	9.91%	
	National Average	5.26%	

LOANS/SHARES

	Credit Union	Loans/Shares	Assets
1	Veridian	112.35%	$6,896,511,342
2	Linn Area	112.21%	$621,152,025
3	GreenState	110.73%	$11,355,212,032
4	First Federal	110.19%	$203,721,911
5	Premier	99.75%	$287,083,764
6	Greater Iowa	99.60%	$656,786,242
7	Collins Community	97.19%	$1,646,569,584
8	Community Choice	95.98%	$797,642,555
9	North Iowa Community	95.95%	$103,291,073
10	Telco Triad Community	94.81%	$134,110,663
	Iowa Average	103.21%	
	National Average	82.35%	

*Note: For growth tables, credit unions that have had a substantial merger in the previous 12 months are excluded. A substantial merger is a merger where the assets of the acquired credit union are more than 10% of the assets of the acquiring credit union.