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Growth rate exceeds the national credit union average; Ohio credit unions add 4,000 members

Columbus, Ohio (**July 10, 2012**) Ohio credit union consumer loan origination growth outpaced the national average, increasing 37.1% (March 2011 to March 2012) to $972 billion, according to the Ohio Credit Union Quarterly Performance Summary. Consumer loans were the driver of overall loan origination growth, which rose 33.7% to $1.5 billion over the same time period. Loan balances increased 4.7% over the previous 12 months at Ohio credit unions, more than double the national rate of 2.1%. According to the summary, every component of loan originations posted an increase over the previous first quarter.

“Growth in consumer lending is a positive sign, not just for credit unions, but for the continued recovery of the economy as a whole,” said Paul Mercer, Ohio Credit Union League President. “It is also a sign that credit unions are helping their members manage difficult financial circumstances by offering affordable loan products that make sense for the consumer.”

First mortgage originations were also strongly above levels reported in the first three months of 2011. Ohio credit unions originated $443 million in first mortgages in the first quarter of 2012, up 34.6% from the first quarter of 2011. First mortgages outstanding grew 4.0% annually to reach $4.3 billion at Ohio credit unions. In addition, Ohio credit unions sold $202.3 million in first mortgages to the secondary market in the first three months of 2012.

Vehicle sales are back on the rise, up 19.5% from March 2011, and this has translated to growth in the national credit union auto portfolio. Nationally, auto loan balances increased 2.6% annually at the end of March. Credit unions in Ohio have historically reported above-average auto loan growth and balances rose by 8.9% in the first quarter in the state. Used auto loan balances in Ohio increased 10.1% annually, as new auto balances rose 6.7% during the same time.

Credit card balances also posted annual growth, as balances increase 4% to $752.4 million at the end of the first quarter.

Business Loan Balances Grow 13.7% Annually

Business loan balances in Ohio grew 13.7% from the previous March, which is faster than the national average of 8.4% during the same period. Outstanding business loan balances stood at

$439.7 million at the end of the first quarter. With business loan demand remaining strong, originations increased from levels reported in the previous March. During the first quarter, Ohio credit unions originated $29.9 million in business loans, up 5.4% from the $28.4 million in originations reported during the first quarter of 2011.

Although it represents just 3.4% of the Ohio loan portfolio, member business lending is becoming an increasingly important part of a credit union's suite of products. In the first quarter, 107 of Ohio's 374 credit unions reported outstanding business loan balances.

Membership at Ohio Credit Unions Continues Growth Trend; Credit Union Consolidation Below Average

Ohio credit unions added nearly 7,400 members over the past 12 months, with more than 4,000 of those members coming in the first quarter following momentum from Bank Transfer Day. This adds up to annual growth of 27 basis points, slower than the national average of 1.9%.

The rate of mergers and liquidations in Ohio during 2011 was below historical rates, as only 10 credit unions in Ohio underwent a merger or liquidation. The first three months of 2012 have shown a similar pace to 2011. During the first quarter, three credit unions underwent a merger.

Credit unions are not-for-profit, democratically-controlled cooperative financial institutions. Members of credit unions are owners, and each member-owner has an equal say in the operations of the credit union. Almost all Ohioans are eligible to join a credit union. To find a credit union, visit www.aSmarterChoice.org, and fill in the prompted fields.