



24 June 2022

BENCHMARK INTEREST RATES AND YIELD CURVE

**US Treasury Rates-**

|                           | THIS WK<br>6/23/22 | LAST MO<br>5/23/22 | YR END<br>12/31/21 | LAST YR<br>6/21/21 | CHANGES SINCE |         |             | YIELD CURVE ASSESSMENT |  |  |
|---------------------------|--------------------|--------------------|--------------------|--------------------|---------------|---------|-------------|------------------------|--|--|
|                           |                    |                    |                    |                    | This Yr       | Last Yr | This Cycle* |                        |  |  |
| Prime                     | 4.75%              | 4.00%              | 3.25%              | 3.25%              | 1.50%         | 1.50%   | 1.50%       |                        |  |  |
| Fed Funds                 | 1.58%              | 0.83%              | 0.08%              | 0.08%              | 1.50%         | 1.50%   | 1.54%       |                        |  |  |
| 3mo                       | 1.65%              | 1.07%              | 0.06%              | 0.05%              | 1.59%         | 1.60%   | 1.65%       |                        |  |  |
| 6mo                       | 2.44%              | 1.57%              | 0.19%              | 0.06%              | 2.25%         | 2.38%   | 2.42%       |                        |  |  |
| 1yr                       | 2.78%              | 2.09%              | 0.39%              | 0.09%              | 2.39%         | 2.69%   | 2.69%       |                        |  |  |
| 2yr                       | 3.01%              | 2.65%              | 0.73%              | 0.27%              | 2.28%         | 2.74%   | 2.90%       |                        |  |  |
| 3yr                       | 3.12%              | 2.80%              | 0.97%              | 0.48%              | 2.15%         | 2.64%   | 3.02%       |                        |  |  |
| 5yr                       | 3.14%              | 2.88%              | 1.26%              | 0.90%              | 1.88%         | 2.24%   | 2.95%       |                        |  |  |
| 7yr                       | 3.16%              | 2.90%              | 1.44%              | 1.25%              | 1.72%         | 1.91%   | 2.68%       |                        |  |  |
| 10yr                      | 3.09%              | 2.86%              | 1.52%              | 1.50%              | 1.57%         | 1.59%   | 2.51%       |                        |  |  |
| 30yr                      | 3.21%              | 3.08%              | 1.90%              | 2.11%              | 1.31%         | 1.10%   | 2.22%       |                        |  |  |
| Slope of the Yield Curve- |                    |                    |                    |                    |               |         |             |                        |  |  |
| 2yr-3mo                   | 1.36%              | 1.58%              | 0.67%              | 0.22%              | 0.69%         | 1.14%   | 0.73%       |                        |  |  |
| 5yr-2yr                   | 0.13%              | 0.23%              | 0.53%              | 0.63%              | -0.40%        | -0.50%  | 0.02%       |                        |  |  |
| 10yr-5yr                  | -0.05%             | -0.02%             | 0.26%              | 0.60%              | -0.31%        | -0.65%  | -0.20%      |                        |  |  |
| 10yr-3mo                  | 1.44%              | 1.79%              | 1.46%              | 1.45%              | -0.02%        | -0.01%  | 0.55%       |                        |  |  |

\*Since Mar 2020

ECONOMIC UPDATE AND ANALYSIS

## EXISTING HOME SALES FALL IN MAY; INVENTORIES DECLINE TO 2.6 MONTH SUPPLY

Sales of existing homes in May dropped 3.4% to a seasonally adjusted annualized rate of 5.41 million units. Sales were 8.6% lower than in May 2021. April's sales were revised slightly lower as well.

This is the weakest reading since June 2020, which was during the early months of the Covid pandemic. Adjusting for that, it is the lowest since January 2020.

This reading is based on closings during the month, therefore representing contracts likely signed in March and April. During that time the average rate on the 30-year fixed mortgage rose from right around 4% to 5.5%. It is currently right around 6%.

Rising rates, along with rapid home price appreciation and continued low supply, have given affordability a triple punch. There were 1.16 million homes for sale at the end of May, an increase of 12.6% month to month but still down 4.1% from May 2021. At the current sales pace, that represents a 2.6-month supply.

Homes are selling quickly, however. Houses stayed on the market an average of just 16 days, the lowest on record for the Realtors. All-cash sales were still elevated at 25% of all sales. Investors made up 16% of all transactions, down slightly from April and from a year ago.

**Key Economic Indicators for Banks, Thrifts & Credit Unions-**

|                         |            | LATEST | CURRENT | PREV  |
|-------------------------|------------|--------|---------|-------|
| GDP                     | QoQ        | Q1-2nd | -1.5%   | 6.9%  |
| GDP - YTD               | Annl       | Q1-2nd | -1.5%   | 5.6%  |
| Consumer Spending       | QoQ        | Q1-2nd | 3.1%    | 2.5%  |
| Consumer Spending YTD   | Annl       | Q1-2nd | 3.1%    | 7.0%  |
| Unemployment Rate       | Mo         | May    | 3.6%    | 3.6%  |
| Chg in Non-farm Jobs    | Mo (000s)  | May    | 390     | 428   |
| Chg in Private Payrolls | Mo (000s)  | May    | 333     | 406   |
| Wholesale Inflation     | YoY        | May    | 10.8%   | 10.9% |
| Consumer Inflation      | YoY        | May    | 8.6%    | 8.3%  |
| Core Inflation          | YoY        | May    | 6.0%    | 6.2%  |
| Consumer Credit         | Annual     | April  | 10.1%   | 12.7% |
| Retail Sales            | YoY        | May    | 10.6%   | 11.3% |
| Vehicle Sales           | Annl (Mil) | May    | 13.1    | 14.9  |
| Home Sales              | Annl (Mil) | April  | 6.373   | 6.542 |
| Home Prices             | YoY        | March  | 20.6%   | 19.8% |

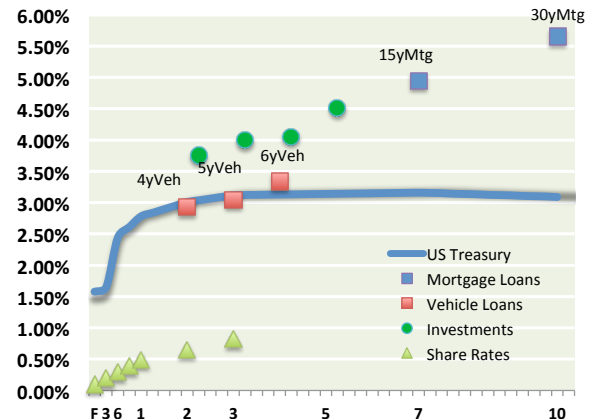
**Key Consumer Market Data-**

|              | THIS WK<br>6/23/22 | YR END<br>12/31/21 | PCT CHANGES |        |
|--------------|--------------------|--------------------|-------------|--------|
|              |                    |                    | YTD         | 12Mos  |
| DJIA         | 30,677             | 36,338             | -15.6%      | -8.9%  |
| S&P 500      | 3,796              | 4,766              | -20.4%      | -9.1%  |
| NASDAQ       | 11,232             | 15,645             | -28.2%      | -19.7% |
| Crude Oil    | 104.27             | 75.21              | 38.6%       | 45.1%  |
| Avg Gasoline | 5.01               | 3.28               | 52.6%       | 63.1%  |
| Gold         | 1,829              | 1,829              | 0.0%        | 2.8%   |



### AVERAGE CREDIT UNION RATES AND RATE SENSITIVITIES

|             | THIS WK<br>6/23/22 | CHANGE IN MARKET RATES SINCE |            |          | Rate Sensitivities Since: |         |
|-------------|--------------------|------------------------------|------------|----------|---------------------------|---------|
|             |                    | YTD                          | Nov18 High | 2021 Low | YTD                       | 2020Low |
| Classic CC  | 12.27%             | 1.29%                        | 0.58%      | 1.46%    | 86%                       | 97%     |
| Platinum CC | 9.66%              | 0.36%                        | -0.61%     | 0.56%    | 24%                       | 37%     |
| 48mo Veh    | 2.93%              | 0.25%                        | -0.73%     | 0.25%    | 11%                       | 9%      |
| 60mo Veh    | 3.05%              | 0.27%                        | -0.72%     | 0.27%    | 13%                       | 9%      |
| 72mo Veh    | 3.34%              | 0.25%                        | -0.78%     | 0.25%    | 12%                       | 8%      |
| HE LOC      | 4.19%              | 0.43%                        | -1.37%     | 0.43%    | 29%                       | 29%     |
| 10yr HE     | 4.96%              | 0.36%                        | -0.56%     | 0.36%    | 19%                       | 12%     |
| 15yr FRM    | 4.95%              | 2.21%                        | 0.37%      | 2.29%    | 125%                      | 85%     |
| 30yr FRM    | 5.65%              | 2.39%                        | 0.59%      | 2.50%    | 152%                      | 100%    |
| Sh Drafts   | 0.09%              | 0.04%                        | -0.05%     | 0.04%    | 3%                        | 3%      |
| Reg Svgs    | 0.10%              | 0.01%                        | -0.09%     | 0.01%    | 1%                        | 1%      |
| MMkt-10k    | 0.18%              | 0.03%                        | -0.30%     | 0.03%    | 2%                        | 2%      |
| MMkt-50k    | 0.25%              | 0.03%                        | -0.40%     | 0.03%    | 2%                        | 2%      |
| 6mo CD      | 0.33%              | 0.09%                        | -0.70%     | 0.09%    | 4%                        | 4%      |
| 1yr CD      | 0.49%              | 0.14%                        | -1.02%     | 0.14%    | 6%                        | 5%      |
| 2yr CD      | 0.65%              | 0.18%                        | -1.20%     | 0.19%    | 8%                        | 7%      |
| 3yr CD      | 0.82%              | 0.25%                        | -1.24%     | 0.25%    | 12%                       | 8%      |



#### Spreads Over(Under) US Treasury

|              |        |          |        |
|--------------|--------|----------|--------|
| 4Y Vehicle   | -0.08% | Reg Svgs | -1.48% |
| 5Y Vehicle   | -0.07% | 1Y CD    | -2.29% |
| 15Y Mortgage | 1.79%  | 2Y CD    | -2.36% |
| 30Y Mortgage | 2.56%  | 3Y CD    | -2.30% |

### STRATEGICALLY FOR CREDIT UNIONS

Supply is leanest on the lower end of the market, which is likely why activity there continues to be weaker than on the higher end. Sales of homes priced between \$100,000 and \$250,000 dropped 27% from a year ago. Sales of homes priced between \$750,000 and \$1 million were up 26%. Sales of homes priced above \$1 million surged 22% year over year.

We anticipate a further decline in home sales because the impact of higher mortgage rates are not yet fully reflected in the data.

First-time buyers made up just 27% of all transactions, down from 31% a year ago. Affordability is clearly hitting them hardest, as rents are rising as well.

With higher average prices and related mortgages rate, lenders are extending credit at marginally higher rates for elevated collateral values as average home values have entered its third year of double-digit year-over-year increases. Through March 2022, the national average home value has increased 20.6%, year-over-year.

This also is relevant to vehicle loan financing where average financing rates have only increased 0.25% this year but collateral values have increased disproportionately. Year-over-year, new car prices have increased 13% and used car prices have increased 32%.

This could threaten higher LTVs in the future should any pending recession or economic decline cause current imbalances to be corrected.

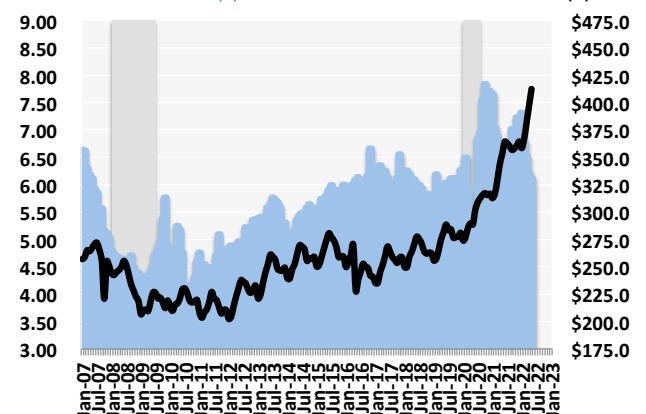
### ECONOMIC RELEASES

| RELEASES THIS WEEK:             | Current | Projected | Previous |
|---------------------------------|---------|-----------|----------|
| Existing Home Sales (May, Annl) | 5.41M   | 5.4M      | 5.61M    |
| New Home Sales (May, Annl)      | 696k    | 585k      | 591k     |

| RELEASES FOR UPCOMING WEEK: | Projected | Previous |
|-----------------------------|-----------|----------|
| Home Prices (Apr, YoY)      | 20.6%     | 20.6%    |
| Consumer Confidence (Jun)   | 103.0     | 106.4    |
| GDP (Q1-22, Final)          | -1.5%     | 6.9%     |

### TOTAL HOME SALES

MONTHLY SALES - MIL (L) versus MEDIAN SALES PRICE - \$000s (R)





**ECONOMIC CALENDAR**

| MONDAY                           | TUESDAY  | WEDNESDAY  | THURSDAY  | FRIDAY  | SATURDAY |
|----------------------------------|--|--|---|---|----------|
| May 23                           | 24<br>New Home Sales 763k                        | 25<br>FOMC Minutes                                 | 26<br>Jobless Claims 210k<br>Cont'd Claims 1.34M<br>GDP (Q1-2nd) -1.5%        | 27<br>Personal Income +0.4%<br>Personal Spending 0.9%                             | 28       |
| 30<br>MEMORIAL DAY<br>HOLIDAY    | 31<br>Home Prices 20.6%<br>Cons Confidence 106.4 | June 1<br>Construction Spdg 0.2%<br>Fed Beige Book | 2<br>Jobless Claims 200k<br>Cont'd Claims 1.31M<br>Vehicle Sales 13.1M        | 3<br>Unemployment 3.6%<br>Nonfarm Payrolls +390k<br>Nonfarm Private +333k         | 4        |
| 6                                | 7<br>Consumer Credit +\$38B                      | 8  | 9<br>Jobless Claims 229k<br>Cont'd Claims 1.3M                                | 10<br>Consumer Inflation 8.6%   | 11       |
| 13                               | 14<br>FLAG DAY<br>Whsale Inflation 10.8%         | 15<br>Retail Sales 10.6%<br>FOMC Announcement      | 16<br>Jobless Claims 229k<br>Cont'd Claims 1.31M                              | 17<br>Ind Production 5.8%<br>Capacity Utilization 79%<br>Leading Indicators -0.4% | 18       |
| 20                               | 21<br>Exist Home Sales 5.41M                     | 22   | 23<br>Jobless Claims 229k<br>Cont'd Claims 1.31M                              | 24<br>New Home Sales 696k   | 25       |
| 27                               | 28<br>Home Prices<br>Consumer Confidence         | 29<br>GDP (Q1-Final)                               | 30<br>Jobless Claims<br>Cont'd Claims<br>Personal Income<br>Personal Spending | July 1<br>Construction Spending   | 2        |
| 4<br>INDEPENDENCE DAY<br>HOLIDAY | 5<br>Factory Orders                              | 6<br>FOMC Minutes                                  | 7<br>Jobless Claims<br>Cont'd Claims  | 8<br>Unemployment<br>Nonfarm Payrolls<br>Private Payrolls                         | 9        |
| 11                               | 12   | 13<br>Consumer Inflation<br>FRB Beige Book         | 14<br>Jobless Claims<br>Cont'd Claims<br>Wholesale Inflation                  | 15<br>Retail Sales<br>Industrial Production<br>Capacity Utilization               | 16       |
| 18                               | 19<br>Existing Home Sales                        | 20   | 21<br>Jobless Claims<br>Cont'd Claims   | 22  | 23       |



## ECONOMIC FORECAST

June 2022

|  | 2022 |    |    | 2022 |    |    |    | 2023 |    |    |    |
|--|------|----|----|------|----|----|----|------|----|----|----|
|  | Q2   | Q3 | Q4 | Q1   | Q2 | Q3 | Q4 | Q1   | Q2 | Q3 | Q4 |

### ECONOMIC OUTLOOK

#### Economic Growth-

|                             |       |      |       |       |       |       |      |      |      |      |      |
|-----------------------------|-------|------|-------|-------|-------|-------|------|------|------|------|------|
| GDP - (QoQ)                 | 6.7%  | 2.3% | 6.9%  | -1.5% | 2.0%  | 2.7%  | 2.6% | 1.9% | 1.8% | 2.0% | 2.0% |
| GDP - (YTD)                 | 6.5%  | 5.1% | 5.6%  | -1.5% | 0.3%  | 1.1%  | 1.5% | 1.9% | 1.9% | 1.9% | 1.9% |
| Consumer Spending - (QoQ)   | 12.0% | 2.0% | 2.5%  | 2.7%  | 4.1%  | 2.6%  | 2.0% | 2.0% | 2.1% | 2.3% | 2.5% |
| Consumer Spending - (YTD)   | 11.7% | 8.5% | 7.0%  | 2.7%  | 3.4%  | 3.1%  | 2.9% | 2.0% | 2.1% | 2.1% | 2.2% |
| Government Spending - (QoQ) | -2.0% | 0.9% | -2.6% | -2.7% | 0.8%  | 1.4%  | 1.9% | 1.6% | 1.5% | 1.2% | 1.2% |
| Government Spending - (YTD) | 1.1%  | 1.0% | 0.1%  | -2.7% | -1.0% | -0.2% | 0.4% | 1.6% | 1.6% | 1.4% | 1.4% |

#### Consumer Wealth-

|                    |       |       |       |       |       |       |       |       |       |       |       |
|--------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Unemployment Rate  | 5.9%  | 5.1%  | 4.2%  | 3.8%  | 3.5%  | 3.5%  | 3.4%  | 3.4%  | 3.5%  | 3.7%  | 3.9%  |
| Consumer Inflation | 4.8%  | 5.3%  | 6.7%  | 8.5%  | 8.3%  | 7.6%  | 7.2%  | 6.8%  | 6.3%  | 5.8%  | 5.5%  |
| Home Prices        | 15.2% | 19.7% | 19.1% | 18.7% | 20.3% | 21.0% | 21.2% | 21.0% | 20.9% | 20.8% | 20.5% |

### SINGLE FAMILY HOME & VEHICLE LOAN MARKETS

#### Consumer Demand-

|                            |       |       |       |       |       |       |       |       |       |       |       |
|----------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Total Home Sales (Mil)     | 6.687 | 6.766 | 6.955 | 6.877 | 1.256 | 7.419 | 6.504 | 6.522 | 6.670 | 6.694 | 6.855 |
| Existing Home (Mil)        | 5.950 | 6.067 | 6.203 | 6.063 | 0.563 | 6.645 | 5.710 | 5.719 | 5.838 | 5.879 | 6.039 |
| New Home Sales (Mil)       | 0.737 | 0.699 | 0.752 | 0.814 | 0.693 | 0.774 | 0.794 | 0.803 | 0.832 | 0.815 | 0.816 |
| Single Family Homes (Mils) | 2.926 | 2.714 | 2.497 | 1.830 | 1.846 | 1.598 | 1.471 | 1.340 | 1.693 | 1.688 | 1.510 |
| Purchase Apps (Mils)       | 1.341 | 1.302 | 1.259 | 1.025 | 1.282 | 1.113 | 1.059 | 0.912 | 1.252 | 1.253 | 1.090 |
| Refinancing Apps (Mils)    | 1.585 | 1.412 | 1.238 | 0.805 | 0.564 | 0.485 | 0.412 | 0.428 | 0.441 | 0.435 | 0.420 |
| Refi Apps Share            | 54%   | 52%   | 50%   | 44%   | 31%   | 30%   | 28%   | 32%   | 26%   | 26%   | 28%   |
| Vehicle Sales (Mil)        | 16.2  | 12.5  | 12.8  | 13.8  | 13.1  | 12.7  | 12.5  | 13.5  | 15.6  | 14.6  | 14.3  |

### MARKET RATE OUTLOOK

#### Benchmark Rates-

|           |      |      |      |      |      |      |      |      |      |      |      |
|-----------|------|------|------|------|------|------|------|------|------|------|------|
| Prime     | 3.3% | 3.3% | 3.3% | 3.5% | 4.8% | 5.3% | 6.0% | 6.3% | 6.8% | 6.8% | 6.8% |
| Fed Funds | 0.1% | 0.1% | 0.1% | 0.3% | 1.5% | 1.9% | 2.6% | 2.9% | 3.4% | 3.4% | 3.4% |
| 3yr UST   | 0.5% | 0.6% | 1.2% | 2.4% | 3.1% | 3.1% | 3.3% | 3.3% | 3.4% | 3.3% | 3.2% |
| 7yr UST   | 1.3% | 1.3% | 1.4% | 2.4% | 3.2% | 3.2% | 3.3% | 3.3% | 3.2% | 3.1% | 3.0% |
| 10yr UST  | 1.6% | 1.3% | 1.5% | 1.9% | 3.1% | 2.9% | 3.0% | 3.0% | 3.1% | 3.1% | 3.0% |

#### Market Rates-

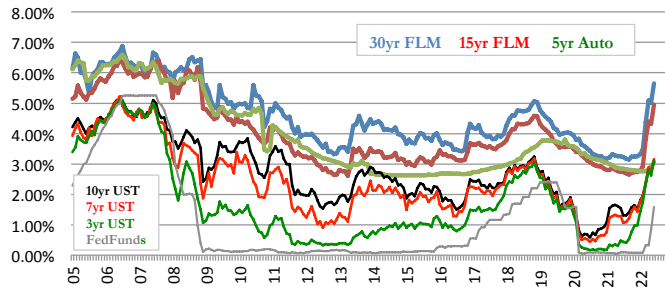
|                          |      |      |      |      |      |      |      |      |      |      |      |
|--------------------------|------|------|------|------|------|------|------|------|------|------|------|
| 5yr Vehicle Loan Rate    | 2.8% | 2.7% | 2.7% | 2.8% | 2.9% | 2.9% | 3.0% | 3.0% | 3.0% | 3.1% | 3.1% |
| 15yr First-lien Mortgage | 2.9% | 2.7% | 3.1% | 3.3% | 4.3% | 4.4% | 4.5% | 4.5% | 4.5% | 4.4% | 4.3% |
| 30yr First-lien Mortgage | 3.0% | 2.9% | 3.1% | 3.8% | 4.7% | 4.8% | 4.8% | 4.8% | 4.8% | 4.7% | 4.6% |



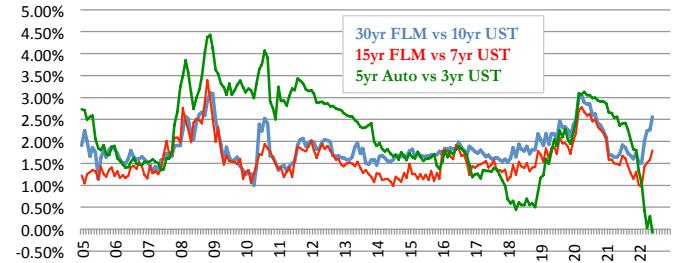
STRATEGIC ASSESSMENT OF RELATIVE VALUE INVESTMENT AND FUNDING OPTIONS

RELATIVE VALUE OF MARGINAL INVESTMENT OPTIONS

"A"-PAPER MARKET RATES



"A"-PAPER PRICING SPREADS



|                  | Current<br>Return | For     | Then for<br>the Next | The Net Return Needed to Break-even Against*: |         |        |         |        |         |        |         |
|------------------|-------------------|---------|----------------------|---|---------|--------|---------|--------|---------|--------|---------|
|                  |                   |         |                      | 30Y FLM                                       | 15Y FLM | 5Y New | 5Y Used | 4Y MBS | 4Y Call | 3Y MBS | 3Y Call |
| Cash             | 1.58%             | -       | -                    | -   | -       | -      | -       | -      | -       | -      | -       |
| 2yr Agy Callable | 3.75%             | 2 years | 3 years              | 6.92%   | 5.75%   | 2.58%  | 2.83%   | 3.67%  | 4.35%   | 3.45%  | 4.50%   |
| 3yr Agy Callable | 4.00%             | 3 years | 2 years              | 8.13%   | 6.38%   | 1.63%  | 2.00%   | 2.84%  | 4.20%   | -      | -       |
| 3yr Agy MBS      | 3.65%             | 3 years | 2 years              | 8.65%   | 6.90%   | 2.15%  | 2.53%   | 3.89%  | 5.25%   | -      | -       |
| 4yr Agy Callable | 4.05%             | 4 years | 1 year               | 12.05%  | 8.55%   | -0.95% | -0.20%  | -      | -       | -      | -       |
| 4yr Agy MBS      | 3.71%             | 4 years | 1 year               | 13.41%  | 9.91%   | 0.41%  | 1.16%   | -      | -       | -      | -       |
| 5yr Agy Callable | 4.51%             | 5 years | -                    | -   | -       | -      | -       | -      | -       | -      | -       |
| 5yr New Vehicle  | 3.05%             | 3 years | 2 years              | 9.55%   | 7.80%   | -      | -       | -      | -       | -      | -       |
| 5yr Used Vehicle | 3.20%             | 3 years | 2 years              | 9.33%   | 7.58%   | -      | -       | -      | -       | -      | -       |
| 15yr Mortgage    | 4.95%             | 5 years | -                    | -   | -       | -      | -       | -      | -       | -      | -       |
| 30yr Mortgage    | 5.65%             | 5 years | -                    | -   | -       | -      | -       | -      | -       | -      | -       |

\* Best relative value noted by probabilities of achieving "break-even" returns

RELATIVE VALUE OF MARGINAL FUNDING OPTIONS

|                     | Current<br>Cost | For     | Then for<br>the Next | The Net Cost Needed to Break-even Against*: |         |        |         |
|---------------------|-----------------|---------|----------------------|---|---------|--------|---------|
|                     |                 |         |                      | 3Y CD                                       | 3Y FHLB | 2Y CD  | 2Y FHLB |
| Share Draft         | 0.09%           | 1 year  | 2 years              | 1.19%                                       | 4.77%   | 1.21%  | 6.27%   |
| Regular Savings     | 0.10%           | 1 year  | 2 years              | 1.18%                                       | 4.77%   | 1.20%  | 6.26%   |
| Money Market        | 0.18%           | 1 year  | 2 years              | 1.14%                                       | 4.73%   | 1.12%  | 6.18%   |
| FHLB Overnight      | 1.40%           | 1 year  | 2 years              | 0.53%                                       | 4.12%   | -0.10% | 4.96%   |
| Catalyst Settlement | 2.50%           | 1 year  | 2 years              | -0.02%                                      | 3.57%   | -0.60% | 3.86%   |
| 6mo Term CD         | 0.33%           | 6 mos   | 2.5 yrs              | 0.92%                                       | 3.79%   | 0.76%  | 4.13%   |
| 6mo FHLB Term       | 2.49%           | 6 mos   | 2.5 yrs              | 0.49%                                       | 3.35%   | 0.04%  | 3.41%   |
| 6mo Catalyst Term   | 3.03%           | 6 mos   | 2.5 yrs              | 0.38%                                       | 3.25%   | -0.14% | 3.23%   |
| 1yr Term CD         | 0.49%           | 1 year  | 2 years              | 0.99%                                       | 4.57%   | 0.81%  | 5.87%   |
| 1yr FHLB Term       | 3.02%           | 1 year  | 2 years              | -0.28%                                      | 3.31%   | -1.72% | 3.34%   |
| 2yr Term CD         | 0.65%           | 2 years | 1 year               | 1.16%                                       | 8.33%   | -      | -       |
| 2yr FHLB Term       | 3.18%           | 2 years | 1 year               | -3.90%                                      | 3.27%   | -      | -       |
| 3yr Term CD         | 0.82%           | 3 years | -                    | -   | -       | -      | -       |
| 3yr FHLB Term       | 3.21%           | 3 years | -                    | -   | -       | -      | -       |

\* Highest relative value noted by highest differentials and volatility projections



| Q1-2022                         | <\$2<br>Million | \$2-10<br>Million | \$10-50<br><Million | \$50-100<br>Million | \$100-500<br>Million | \$500><br>Million | TOTAL        | <\$10<br>Million | <\$50<br>Million | <\$100<br>Million | <\$500<br>Million |
|---------------------------------|-----------------|-------------------|---------------------|---------------------|----------------------|-------------------|--------------|------------------|------------------|-------------------|-------------------|
| <b>DEMOGRAPHICS</b>             |                 |                   |                     |                     |                      |                   |              |                  |                  |                   |                   |
| Number of Credit Unions         | 316             | 698               | 1,410               | 694                 | 1,084                | 701               | 4,903        | 1,014            | 2,424            | 3,118             | 4,202             |
| Average Assets (\$Mil)          | \$0.927         | \$5.7             | \$26.0              | \$72.8              | \$228.7              | \$2,537.8         | \$432.0      | \$4.2            | \$16.9           | \$29.3            | \$80.7            |
| Pct of Credit Unions            | 6%              | 14%               | 29%                 | 14%                 | 22%                  | 14%               | 100%         | 21%              | 49%              | 64%               | 86%               |
| Pct of Industry Assets          | 0%              | 0%                | 2%                  | 2%                  | 12%                  | 84%               | 100%         | 0%               | 2%               | 4%                | 16%               |
| <b>GROWTH RATES (YTD)</b>       |                 |                   |                     |                     |                      |                   |              |                  |                  |                   |                   |
| Total Assets                    | -2.5%           | -5.2%             | -10.3%              | 7.7%                | 3.0%                 | 13.0%             | 11.3%        | -5.1%            | -9.7%            | -0.3%             | 2.1%              |
| Total Loans                     | -17.5%          | -13.9%            | -18.0%              | 5.4%                | -0.2%                | 17.5%             | 14.8%        | -14.2%           | -17.6%           | -4.5%             | -1.2%             |
| - Direct Loans                  | -20.6%          | -14.5%            | -18.6%              | 4.8%                | -2.9%                | 14.4%             | 11.6%        | -11.9%           | -17.9%           | -5.3%             | -3.5%             |
| - Indirect Loans                | -               | 204.9%            | -2.3%               | 10.0%               | 14.2%                | 28.8%             | 27.2%        | -243.1%          | -9.4%            | 6.1%              | 13.2%             |
| Total Shares                    | -1.6%           | -3.2%             | -8.1%               | 8.7%                | 5.3%                 | 13.8%             | 12.3%        | -3.1%            | -7.6%            | 1.2%              | 4.2%              |
| Net Worth                       | -1.0%           | -8.2%             | -14.0%              | 3.7%                | 1.0%                 | 11.1%             | 9.1%         | -7.6%            | -13.1%           | -4.4%             | -0.6%             |
| <b>BALANCE SHEET ALLOCATION</b> |                 |                   |                     |                     |                      |                   |              |                  |                  |                   |                   |
| Net Worth-to-Total Assets       | 18.0%           | 15.2%             | 11.6%               | 11.0%               | 10.2%                | 10.2%             | 10.2%        | 15.4%            | 12.0%            | 11.4%             | 10.5%             |
| Cash & Inv-to-Total Assets      | 61%             | 57%               | 54%                 | 47%                 | 39%                  | 33%               | 34%          | 57%              | 55%              | 50%               | 42%               |
| Loans-to-Total Assets           | 38%             | 42%               | 43%                 | 49%                 | 56%                  | 63%               | 61%          | 42%              | 43%              | 46%               | 53%               |
| Vehicle-to-Total Loans          | 62%             | 66%               | 50%                 | 43%                 | 37%                  | 31%               | 32%          | 65%              | 52%              | 46%               | 40%               |
| REL-to-Total Loans              | 1%              | 7%                | 29%                 | 40%                 | 48%                  | 54%               | 53%          | 6%               | 27%              | 35%               | 45%               |
| REL-to-Net Worth                | 2%              | 18%               | 107%                | 179%                | 262%                 | 334%              | 316%         | 17%              | 95%              | 140%              | 226%              |
| Indirect-to-Total Loans         | 1%              | 0%                | 4%                  | 10%                 | 17%                  | 22%               | 21%          | 0%               | 3%               | 7%                | 15%               |
| Loans-to-Total Shares           | 47%             | 50%               | 49%                 | 55%                 | 63%                  | 72%               | 70%          | 50%              | 49%              | 52%               | 60%               |
| Chkg & Svgs-to-Total Shares     | 93%             | 85%               | 78%                 | 73%                 | 67%                  | 56%               | 58%          | 86%              | 79%              | 76%               | 69%               |
| Nonterm-to-Total Shares         | 93%             | 87%               | 85%                 | 84%                 | 83%                  | 80%               | 81%          | 87%              | 85%              | 85%               | 83%               |
| Term CDs-to-Total Shares        | 5%              | 9%                | 9%                  | 10%                 | 12%                  | 13%               | 13%          | 9%               | 9%               | 10%               | 11%               |
| Short-term Funding Ratio        | 50.1%           | 36.8%             | 29.2%               | 23.8%               | 18.7%                | 15.4%             | 16.2%        | 29.9%            | 26.6%            | 20.8%             | 16.3%             |
| Net Long-term Asset Ratio       | 3.8%            | 10.0%             | 22.1%               | 29.2%               | 35.3%                | 39.7%             | 38.5%        | 21.0%            | 25.4%            | 32.6%             | 38.5%             |
| <b>LOAN QUALITY</b>             |                 |                   |                     |                     |                      |                   |              |                  |                  |                   |                   |
| Loan Delinquency Ratio          | 2.59%           | 1.13%             | 0.68%               | 0.54%               | 0.40%                | 0.42%             | 0.42%        | 0.72%            | 0.62%            | 0.45%             | 0.42%             |
| Net Charge-off Ratio            | 0.79%           | 0.26%             | 0.21%               | 0.19%               | 0.17%                | 0.29%             | 0.28%        | 0.21%            | 0.20%            | 0.18%             | 0.27%             |
| "Misery" Index                  | 3.38%           | 1.39%             | 0.89%               | 0.73%               | 0.57%                | 0.71%             | 0.70%        | 0.94%            | 0.82%            | 0.63%             | 0.70%             |
| RE Loan Delinquency             | 6.42%           | 1.02%             | 0.63%               | 0.39%               | 0.30%                | 0.31%             | 0.31%        | 1.07%            | 0.64%            | 0.47%             | 0.33%             |
| Vehicle Loan Delinquency        | 2.16%           | 1.00%             | 0.63%               | 0.51%               | 0.42%                | 0.37%             | 0.39%        | 1.07%            | 0.69%            | 0.59%             | 0.46%             |
| Direct Loans                    | 2.18%           | 1.00%             | 0.56%               | 0.24%               | 0.06%                | 0.08%             | 0.12%        | 1.07%            | 0.63%            | 0.44%             | 0.20%             |
| Indirect Loans                  | 0.78%           | 1.19%             | 1.49%               | 1.37%               | 0.85%                | 0.49%             | 0.53%        | 1.14%            | 1.49%            | 1.39%             | 0.91%             |
| Loss Allow as % of Loans        | 3.14%           | 1.30%             | 0.81%               | 0.72%               | 0.66%                | 0.85%             | 0.83%        | 1.42%            | 0.87%            | 0.78%             | 0.69%             |
| Current Loss Exposure           | 1.29%           | 0.53%             | 0.38%               | 0.35%               | 0.31%                | 0.29%             | 0.30%        | 0.58%            | 0.40%            | 0.37%             | 0.33%             |
| Coverage Ratio (Adequacy)       | 2.4             | 2.4               | 2.2                 | 2.0                 | 2.1                  | 2.9               | 2.8          | 2.4              | 2.2              | 2.1               | 2.1               |
| <b>EARNINGS</b>                 |                 |                   |                     |                     |                      |                   |              |                  |                  |                   |                   |
| Gross Asset Yield               | 2.86%           | 2.80%             | 2.51%               | 2.67%               | 2.76%                | 2.96%             | 2.92%        | 2.80%            | 2.54%            | 2.61%             | 2.72%             |
| Cost of Funds                   | 0.25%           | 0.26%             | 0.20%               | 0.21%               | 0.25%                | 0.37%             | 0.35%        | 0.26%            | 0.20%            | 0.21%             | 0.24%             |
| Gross Interest Margin           | 2.61%           | 2.54%             | 2.31%               | 2.46%               | 2.51%                | 2.59%             | 2.57%        | 2.55%            | 2.34%            | 2.41%             | 2.48%             |
| Provision Expense               | 0.27%           | 0.08%             | 0.07%               | 0.08%               | 0.07%                | 0.15%             | 0.14%        | 0.10%            | 0.08%            | 0.08%             | 0.07%             |
| Net Interest Margin             | 2.34%           | 2.46%             | 2.24%               | 2.38%               | 2.44%                | 2.44%             | 2.43%        | 2.45%            | 2.26%            | 2.33%             | 2.41%             |
| Non-Interest Income             | 0.48%           | 0.61%             | 0.90%               | 1.13%               | 1.23%                | 1.09%             | 1.10%        | 0.60%            | 0.87%            | 1.01%             | 1.17%             |
| Non-Interest Expense            | 3.60%           | 3.22%             | 2.97%               | 3.09%               | 3.12%                | 2.66%             | 2.73%        | 3.24%            | 3.00%            | 3.05%             | 3.10%             |
| Net Operating Expense           | 3.12%           | 2.60%             | 2.07%               | 1.96%               | 1.89%                | 1.57%             | 1.62%        | 2.64%            | 2.13%            | 2.03%             | 1.93%             |
| <b>Net Operating Return</b>     | <b>-0.78%</b>   | <b>-0.15%</b>     | <b>0.17%</b>        | <b>0.43%</b>        | <b>0.55%</b>         | <b>0.87%</b>      | <b>0.81%</b> | <b>-0.19%</b>    | <b>0.14%</b>     | <b>0.30%</b>      | <b>0.48%</b>      |
| Non-recurring Inc(Exp)          | 0.24%           | 0.06%             | 0.03%               | 0.03%               | 0.02%                | 0.01%             | 0.01%        | 0.07%            | 0.03%            | 0.03%             | 0.02%             |
| Net Income                      | -0.54%          | -0.08%            | 0.20%               | 0.45%               | 0.57%                | 0.89%             | 0.83%        | -0.11%           | 0.17%            | 0.33%             | 0.51%             |
| Return on Net Worth             | -4.3%           | -1.0%             | 1.5%                | 3.9%                | 5.4%                 | 8.6%              | 7.9%         | -1.2%            | 1.1%             | 2.6%              | 4.6%              |



**Q1-2022**

 <\$2  
Million

 \$2-10  
Million

 \$10-50  
<Million

 \$50-100  
Million

 \$100-500  
Million

 \$500+  
Million

TOTAL

 <\$10  
Million

 <\$50  
Million

 <\$100  
Million

 <\$500  
Million

**OPERATING EFFICIENCIES:**
**Loans & Shares-**

|                          |         |         |         |          |          |          |          |         |         |         |          |
|--------------------------|---------|---------|---------|----------|----------|----------|----------|---------|---------|---------|----------|
| Avg Loan Balance         | \$5,778 | \$7,495 | \$4,275 | \$6,683  | \$10,799 | \$18,943 | \$16,347 | \$7,386 | \$4,589 | \$5,786 | \$9,622  |
| Avg Loan Rate            | 6.85%   | 5.80%   | 4.96%   | 4.73%    | 4.35%    | 4.25%    | 4.28%    | 5.87%   | 5.06%   | 4.87%   | 4.47%    |
| Avg Loan Yield, net      | 6.15%   | 5.61%   | 4.79%   | 4.57%    | 4.23%    | 4.01%    | 4.05%    | 5.64%   | 4.88%   | 4.70%   | 4.34%    |
| Avg Share Balance        | \$2,661 | \$5,700 | \$9,378 | \$10,794 | \$12,613 | \$14,731 | \$14,133 | \$5,300 | \$8,709 | \$9,756 | \$11,699 |
| Avg Share Rate           | 0.30%   | 0.31%   | 0.22%   | 0.24%    | 0.28%    | 0.43%    | 0.40%    | 0.31%   | 0.23%   | 0.23%   | 0.27%    |
| Non-Member Deposit Ratio | 1.1%    | 0.8%    | 0.5%    | 0.6%     | 0.6%     | 0.7%     | 0.7%     | 0.8%    | 0.6%    | 0.6%    | 0.6%     |

**Net Operating Profitability-**

|                          |      |      |      |      |      |      |      |      |      |      |      |
|--------------------------|------|------|------|------|------|------|------|------|------|------|------|
| Earning Asset/Funding    | 123% | 117% | 110% | 108% | 106% | 110% | 109% | 117% | 111% | 109% | 107% |
| Fee Inc-to-Total Revenue | 14%  | 18%  | 26%  | 30%  | 31%  | 27%  | 27%  | 18%  | 26%  | 28%  | 30%  |

**Net Operating Return per FTE**

|                                  |                    |                   |                 |                  |                  |                  |                 |                   |                 |                  |                  |
|----------------------------------|--------------------|-------------------|-----------------|------------------|------------------|------------------|-----------------|-------------------|-----------------|------------------|------------------|
| Interest Income per FTE          | \$37,416           | \$48,596          | \$114,251       | \$126,599        | \$133,066        | \$203,044        | \$186,253       | \$47,600          | \$98,521        | \$112,481        | \$127,026        |
| Avg Interest & Prov per FTE      | \$6,771            | \$5,905           | \$12,293        | \$13,595         | \$15,342         | \$35,744         | \$31,034        | \$5,982           | \$10,803        | \$12,191         | \$14,418         |
| Net Interest Income per FTE      | \$30,646           | \$42,691          | \$101,958       | \$113,004        | \$117,724        | \$167,301        | \$155,218       | \$41,618          | \$87,718        | \$100,289        | \$112,608        |
| Non-Interest Income per FTE      | \$6,236            | \$10,625          | \$41,024        | \$53,624         | \$59,523         | \$74,756         | \$70,366        | \$10,234          | \$33,758        | \$43,635         | \$54,861         |
| Avg Ops Expense per FTE          | \$47,073           | \$55,841          | \$135,037       | \$146,446        | \$150,566        | \$182,092        | \$173,878       | \$55,061          | \$116,163       | \$131,219        | \$144,889        |
| Net Op Expense per FTE           | \$40,837           | \$45,217          | \$94,013        | \$92,823         | \$91,044         | \$107,335        | \$103,512       | \$44,827          | \$82,405        | \$87,584         | \$90,029         |
| <b>Avg Net Op Return per FTE</b> | <b>\$ (10,192)</b> | <b>\$ (2,526)</b> | <b>\$ 7,945</b> | <b>\$ 20,181</b> | <b>\$ 26,680</b> | <b>\$ 59,965</b> | <b>\$51,706</b> | <b>\$ (3,208)</b> | <b>\$ 5,313</b> | <b>\$ 12,705</b> | <b>\$ 22,580</b> |

**Revenue/Operating Expense Assessment**
**Revenue-**

|                       |          |          |           |           |           |           |           |          |           |           |           |
|-----------------------|----------|----------|-----------|-----------|-----------|-----------|-----------|----------|-----------|-----------|-----------|
| Avg Revenue per FTE   | \$43,653 | \$59,221 | \$155,275 | \$180,222 | \$192,589 | \$277,801 | \$256,618 | \$57,834 | \$132,279 | \$156,116 | \$181,886 |
| - Total Revenue Ratio | 3.34%    | 3.41%    | 3.41%     | 3.80%     | 3.99%     | 4.05%     | 4.03%     | 3.41%    | 3.41%     | 3.63%     | 3.89%     |

**Operating Expenses-**

|                                 |          |          |          |          |          |          |          |          |          |          |          |
|---------------------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Avg Comp & Benefits per FTE     | \$22,272 | \$28,739 | \$63,708 | \$68,696 | \$76,046 | \$96,710 | \$91,231 | \$28,163 | \$55,319 | \$61,970 | \$71,915 |
| - Comp & Benefits Ratio         | 1.70%    | 1.65%    | 1.40%    | 1.45%    | 1.58%    | 1.41%    | 1.43%    | 1.66%    | 1.43%    | 1.44%    | 1.54%    |
| - Pct of Total Operating Exp    | 47%      | 51%      | 47%      | 47%      | 51%      | 53%      | 52%      | 51%      | 48%      | 47%      | 50%      |
| - FTE-to-Ops (Staffing)         | 1.99     | 1.24     | 0.39     | 0.32     | 0.27     | 0.18     | 0.19     | 1.28     | 0.47     | 0.38     | 0.30     |
| - Full-time Equivalents         | 225      | 2,297    | 8,161    | 10,563   | 51,154   | 255,342  | 327,740  | 2,521    | 10,682   | 21,245   | 72,398   |
| - Pct Part-time Employees       | 79%      | 33%      | 16%      | 9%       | 7%       | 5%       | 6%       | 39%      | 22%      | 16%      | 10%      |
| Avg Occ & Ops Exp per FTE       | \$15,465 | \$15,153 | \$37,339 | \$38,400 | \$38,582 | \$44,486 | \$42,966 | \$15,181 | \$32,109 | \$35,237 | \$37,600 |
| - Occupancy & Ops Expense Ratio | 1.18%    | 0.87%    | 0.82%    | 0.81%    | 0.80%    | 0.65%    | 0.67%    | 0.89%    | 0.83%    | 0.82%    | 0.80%    |
| - Pct of Total Op Expense       | 33%      | 27%      | 28%      | 26%      | 26%      | 24%      | 25%      | 28%      | 28%      | 27%      | 26%      |
| Avg All Other Expense per FTE   | \$9,336  | \$11,949 | \$33,991 | \$39,351 | \$35,939 | \$40,896 | \$39,681 | \$11,716 | \$28,734 | \$34,012 | \$35,374 |
| - All Other Expense Ratio       | 0.71%    | 0.69%    | 0.75%    | 0.83%    | 0.74%    | 0.60%    | 0.62%    | 0.69%    | 0.74%    | 0.79%    | 0.76%    |
| - Pct of Total Ops Expense      | 20%      | 21%      | 25%      | 27%      | 24%      | 22%      | 23%      | 21%      | 25%      | 26%      | 24%      |

**Membership Outreach-**

|                            |       |      |       |       |       |        |        |       |       |       |       |
|----------------------------|-------|------|-------|-------|-------|--------|--------|-------|-------|-------|-------|
| Members-to-Potential Mbers | 14.0% | 6.9% | 3.4%  | 2.2%  | 2.3%  | 3.1%   | 3.0%   | 7.4%  | 3.7%  | 2.7%  | 2.4%  |
| Members-to-FTEs            | 396   | 255  | 421   | 393   | 343   | 412    | 400    | 268   | 385   | 389   | 357   |
| Borrower-to-Members        | 22%   | 38%  | 107%  | 89%   | 73%   | 56%    | 61%    | 36%   | 92%   | 88%   | 73%   |
| Branches                   | 312   | 724  | 1,933 | 1,577 | 4,765 | 11,897 | 21,206 | 1,035 | 2,968 | 4,545 | 9,309 |
| Members per Branch         | 285   | 810  | 1,779 | 2,633 | 3,685 | 8,843  | 6,179  | 652   | 1,386 | 1,819 | 2,774 |