

Credit Committee Report on Lending Activity

☆ Annual Meeting ☆ March 14, 2010 ☆ Report on Activities for 2009 ☆

Credit Committee: Lisa Bailey(resigned), Ron Ehrenreich, Frank Forward, Simon Morrin, Homer T-Davis

Committee Alternates: Christina Sauve, Joe Branagan (resigned), Meagan Weatherby, Sheila Rees

Three members of the Credit Committee meet weekly to review loans that loan officers do not have the authority to approve.

Lending Staff: Susan Hamilton, Greg Knipe, Carmen Castro (through 10/09), Nathen Dow, Patricia Farfan-Caceres

1 Lending Activity: The credit union originated **326 new** loans last year for a total of **\$5,188,372**.* The credit union did not approve **67** loans: **30** applications didn't comply with a counter-offer, **10** were denied, **27** were voluntarily dropped.

2 Real Estate & Business Lending:

	2009 – # of Loans	2009 – \$ amt of Loans	Outstanding # of Loans	Outstanding \$ amt of Loans
Total Real Estate Loans**	49	\$3,833,766	217	\$9,101,305
First Mortgages	37	\$3,400,706	133	\$7,663,463
Other Mortgages & Home Equity Loans	12	\$ 433,060	84	\$1,437,842
Total Business Purpose Loans	25	\$ 707,361	121	\$2,835,079
NCUA Business Loans ***	7	\$ 548,400	34	\$1,805,348

*NOTE: 2009 FIGURES DO NOT INCLUDE DRAWS IN 2009 ON LINES OF CREDIT & HOME EQUITY LINES OF CREDIT ORIGINATED IN PRIOR YEARS.

**NOTE: 2009 FIGURES DO NOT INCLUDE DRAWS ON HOME EQUITY LINES OF CREDIT ORIGINATED IN PRIOR YEARS. REAL ESTATE LOAN FIGURES INCLUDE BUSINESS-PURPOSE REAL ESTATE.

***NOTE: NCUA BUSINESS LOANS ARE LOANS WHICH MEET NCUA GUIDELINES FOR REPORTING: WITH A BUSINESS PURPOSE (INCLUDING LOANS TO ANY CORPORATION) WHERE THE LOAN IS OVER \$50,000, OR WHERE THE AGGREGATE LOANS TO ANY ONE BORROWER IS GREATER THAN \$50,000, AND EXCLUDES EXEMPT LOANS (GUARANTEED OR SECURED BY SHARES OR THE PRIMARY RESIDENCE OF THE BORROWER).

3 Delinquent Loans:

Delinquency at Year End	Number of Loans	Amount of Loans
Loans 2 to 6 Months Delinquent	61	\$626,837
Loans 6 to 12 Months Delinquent	36	\$ 99,908
Loans 12 Months & Over Delinquent	8	\$197,346
Total Delinquent Loans	105	\$924,091

4 Charge Offs: **56** loans were charged off last year for **\$90,652** and **\$7,598** was recovered on charged off loans. Though charged off, collection efforts will continue unless prohibited by law.

5 Total Loans: The credit union had a total of **1,595** loans at year end for a sum of **\$13,139,895**.

Total Loan Key Ratios at Year End	
Loans to Member Shares	113.2%
Loans & Committed LOC to Member Shares	127.3%
Loans to Shares & Nonmember Deposits	94.8%
Loans & Committed LOC to Shares & Nonmember Deposits	106.6%

6 Loans to Officials: The total number of outstanding loans to credit union officials (members on the board, supervisory or credit committees) and senior executive staff is **34** for a dollar value of **\$289,809**.