

NASCUS[®]

The National Association of State Credit Union Supervisors

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2025 Q4 SCU Industry Report

Industry Status Based on December 2025
5300 Data

NASCUS 2025 4Q SCU INDUSTRY REPORT – INDUSTRY STATUS BASED ON DECEMBER 2025 5300 DATA

Background and Introduction

5300 FILING CU SUMMARY REPORT AS OF 12 2025



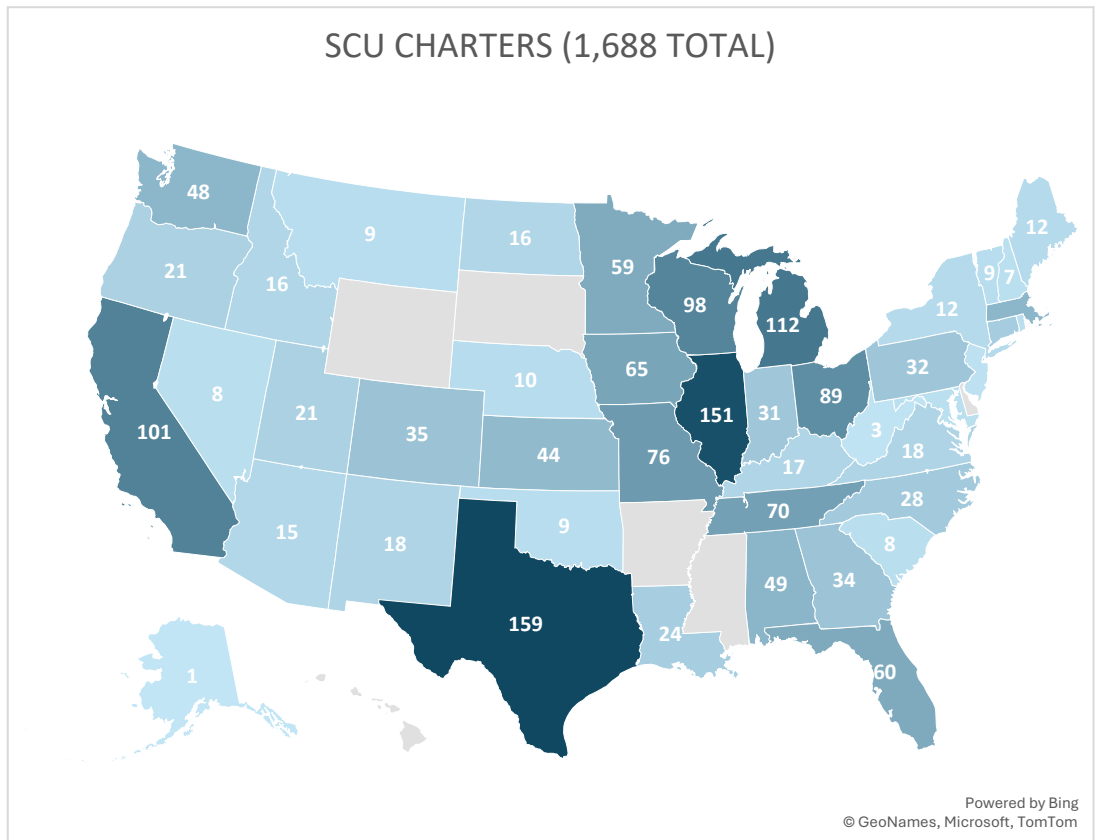
Current Quarter Total		SCU	FCU	% SCU
CU #'S	1,688	2,686	38.59	
MEMBERS	67,103,424	78,878,317	45.97	
ASSETS	1,193,308,121,846	1,263,156,937,685	48.58	
Previous Quarter Total		SCU	FCU	% SCU
CU #'S	1,704	2,715	38.56	
MEMBERS	67,891,120	78,333,579	46.43	
ASSETS	1,189,157,139,830	1,231,073,976,237	49.13	
CHANGE		SCU	FCU	
CU #'S	-16	-29		
MEMBERS	-787,696	544,738		
ASSETS	4,150,982,016	32,082,961,448		

The information presented in this report represents analysis of the publicly released December 31, 2025, 5300 data.

References to state chartered credit unions (SCU) include credit unions chartered by a state regardless of deposit insurance, but generally exclude Puerto Rico Cooperativas. References to federally insured state credit unions (FISCU) includes only those state charters that are

federally insured by the National Credit Union Administration.

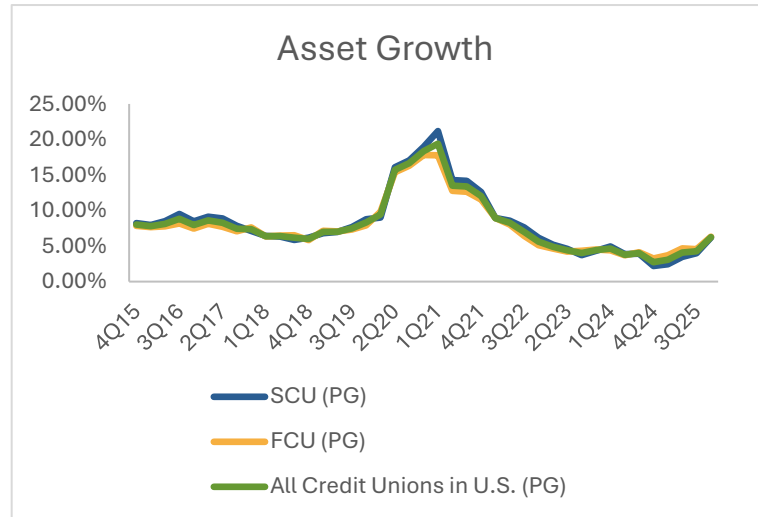
On December 31, 2025, SCUs totaled 1,688 charters with total assets of \$1.2 trillion including 87 privately insured state credit unions (PISCUs) with \$23.3 billion total assets insured through American Share Insurance. Over the fourth quarter of 2025, the number of charters declined by 16 SCUs and membership fell 787,696 individuals while SCU aggregate



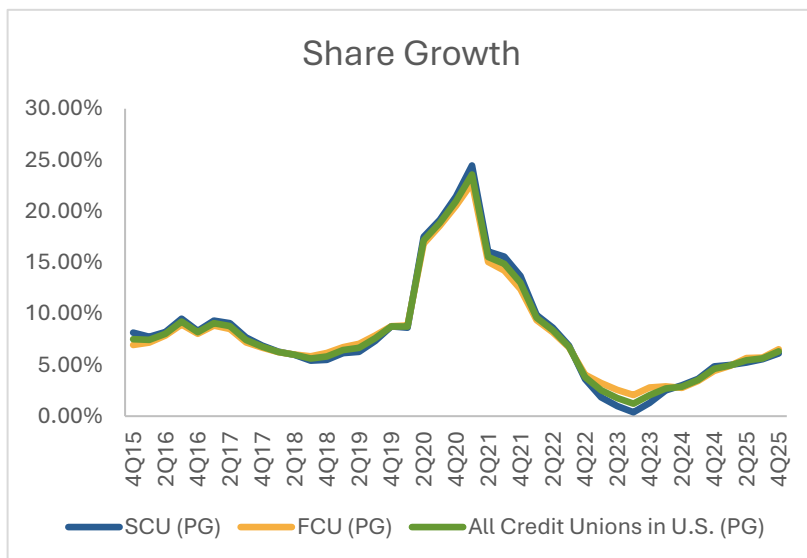
assets increased \$4.2 billion. Comparatively, federally chartered credit unions (FCUs) declined 29 charters, FCU membership increased 544,738 and FCU assets increased \$32 billion. On December 31, 2025, SCUs represented 38.59% of active charters, 48.58% of total assets and 45.97% of reported members.

Puerto Rico chartered Cooperativas remained unchanged over the last quarter at 91. Total Puerto Rico chartered credit union assets increased slightly from the previous quarter to \$12.5 billion at the end of the fourth quarter.

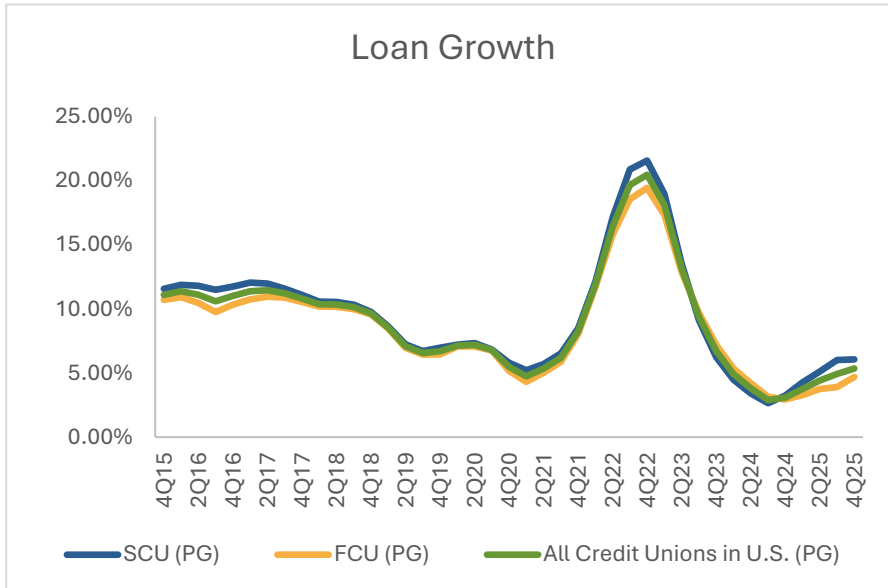
In aggregate, annual SCU **asset growth** continues to improve with a rate of 6.19% at 4Q25, up from 4% at 3Q25 and 2.2% at 4Q24. SCU growth was again outpaced by FCU asset growth of 6.32% at 4Q25. The current quarter growth rates, while representing a peak during post-pandemic performance (after 3Q23), are at levels representing the most modest growth rates experienced in the pre-pandemic period of 4Q15 to 1Q20 and significantly lower than those experienced during the pandemic. Over the last ten years SCU growth rates exceeded FCU growth rates by an average of 37 basis points, primarily due to pre-2Q23 performance which averaged 63 basis points. However, the SCU industry has consistently underperformed the FCU growth rates since 3Q24 representing a more recent trend averaging 73 basis points below FCU growth performance.



By 4Q25, SCU **share growth** continued to improve to 6.12%, up from 5.56% at 3Q25 and 4.86% from 4Q24. Post-pandemic share growth has achieved performance at modest levels compared to those experienced during the pre-pandemic. FCU growth rates outpaced SCU performance with 6.53% at 4Q25 and 5.72% at 3Q25, but SCU aggregate growth rates exceeded FCU rates of 4.42% at 4Q24. Share growth comparisons of the two charters is fairly even over the



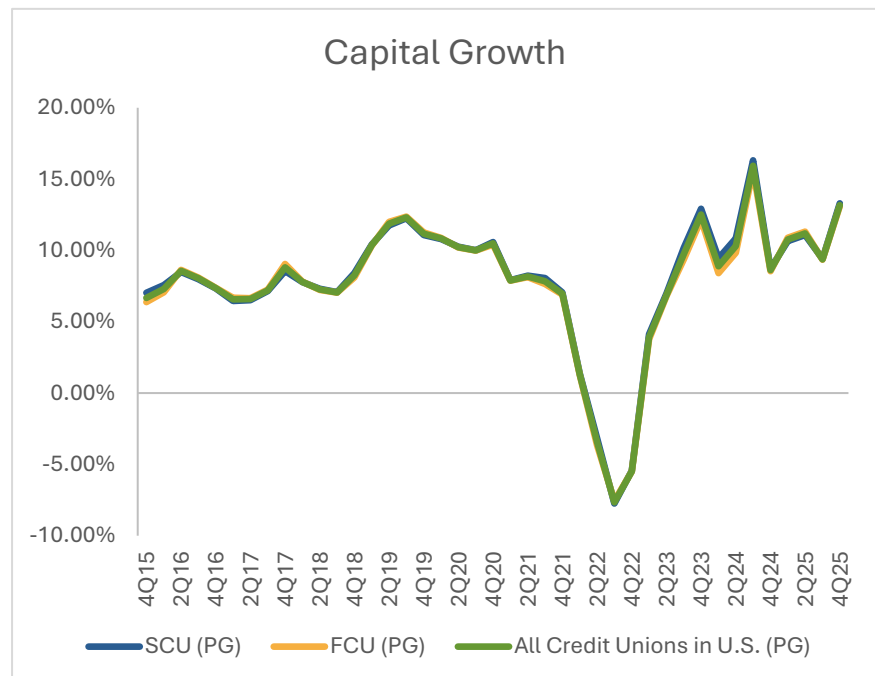
last ten years with only an 8-basis point average advantage to SCUs over that period. However, as outlined by the more recent trends discussed relative to asset growth, FCU share growth over the last year has outperformed SCUs by an average of 23 basis points per quarter.

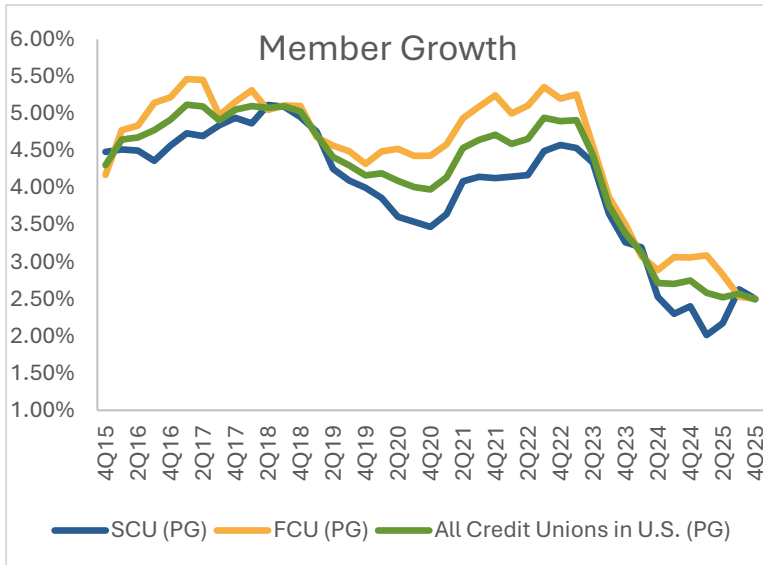


Unlike the relative performance noted above, SCU durable **loan growth** outperformance has been the principal driver of its relative SCU strength. SCU aggregate loan growth rates significantly outpaced FCU growth at 6.07% at 4Q25, up from 6.02% last quarter and 3.24% at 4Q24. Related FCU growth rates over those periods were 4.69%, 3.91% and 2.94% respectively. SCUs continue to exhibit clear growth leadership over

the long-term and more recently. Over the last 10 years SCUs growth performance averaged 66-basis points higher than FCUs, outperforming FCUs in 36 of the prior 41 quarters.

Capital growth rates continue to exhibit strong growth rates with SCU rates at 4Q25 of 13.3%, 9.41% last quarter and 8.73% YE24. While SCU aggregate growth rates exceeded FCU rates of 13.09%, 9.35% and 8.54% for the same periods, rates over the last ten years tend to mirror each other's performance with only a slight gap noted for SCUs averaging 15-basis points higher per quarter.



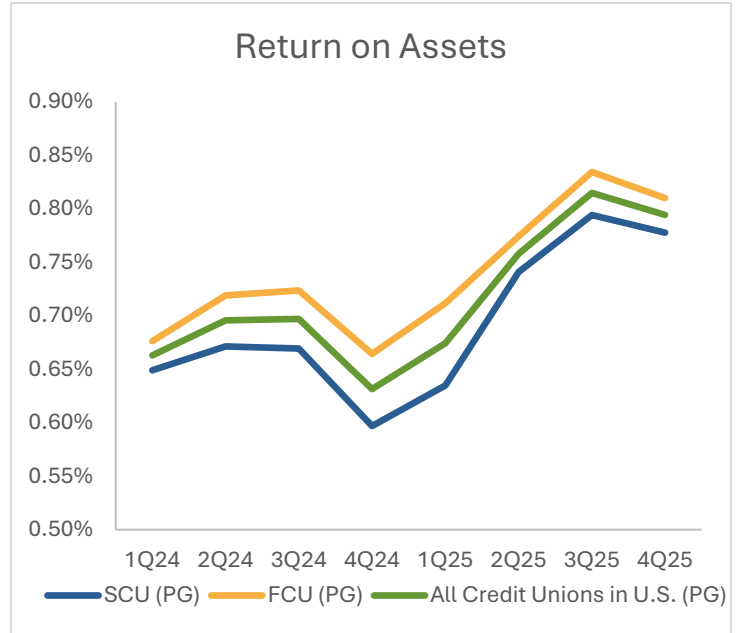


Membership growth rates continue to be a relative weak spot, and trends indicate a long-run negative trend for SCUs outperformance by FCUs in all but six of the last 41 quarters. SCU membership growth declined to only 2.5% at 4Q25, 2.63% in the previous quarter and 2.4% percent at YE 24. Relatively FCU growth rates in 2024/2025 varied modestly from SCU performance with 2.50%, 2.53% and 3.06% respectively. Both segments now sit at historically subdued rates, suggesting slower member acquisition.

Earnings

SCUs reported aggregate earnings of \$9 billion over the four quarters of 2025 with average and median YTD institutional earnings of \$5.3 million and \$639 thousand, respectively.

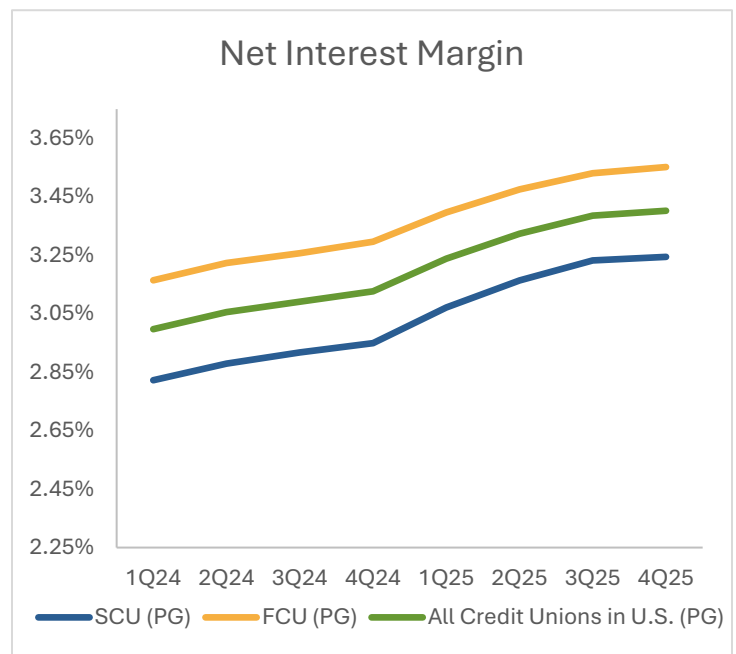
SCU's profitability and margin profile remained stable. Aggregate SCU ROAA ended in 2025 at .78%, hardly changed from the previous quarter and up from .60% from YE 2024. As in every quarter over the last two years, FCU aggregate ROA performance slightly outperformed SCU performance with .81% as of 4Q25, .83% the previous quarter and .66% at YE 2024. While the ROA ratio remained stable from the previous quarter, it represents a 19.8% growth from 1Q24.



Despite the relatively close ROA performance between the two charters, the SCU NIM gap remains relatively wide with 4Q25 SCU performance 31 basis points below the 3.55% FCU ratio at 3.24%. This performance has been historically consistent with SCUs NIM average underperformance of 33 basis points over the last two years. Despite SCU investment yields 11-basis points higher than FCU performance, significantly lower SCU loan yields (45 basis points) and higher cost of funds (3 basis points) continue to be the primary drivers of the lower SCU NIM ratio.

Over the last two years SCUs expanded their NIM from 2.82% (1Q24) to 3.24% (4Q25) while the FCU NIM increased from 3.16% to 3.55%. SCU earnings performance improvement is notable post 1Q25 and narrows the gap versus FCUs.

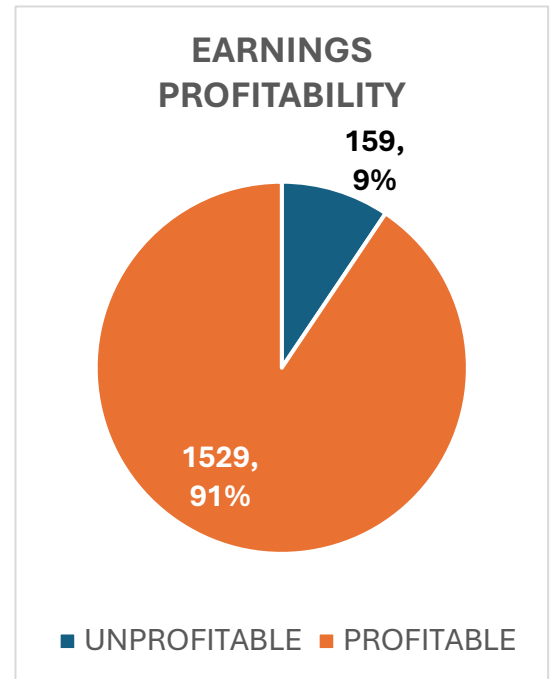
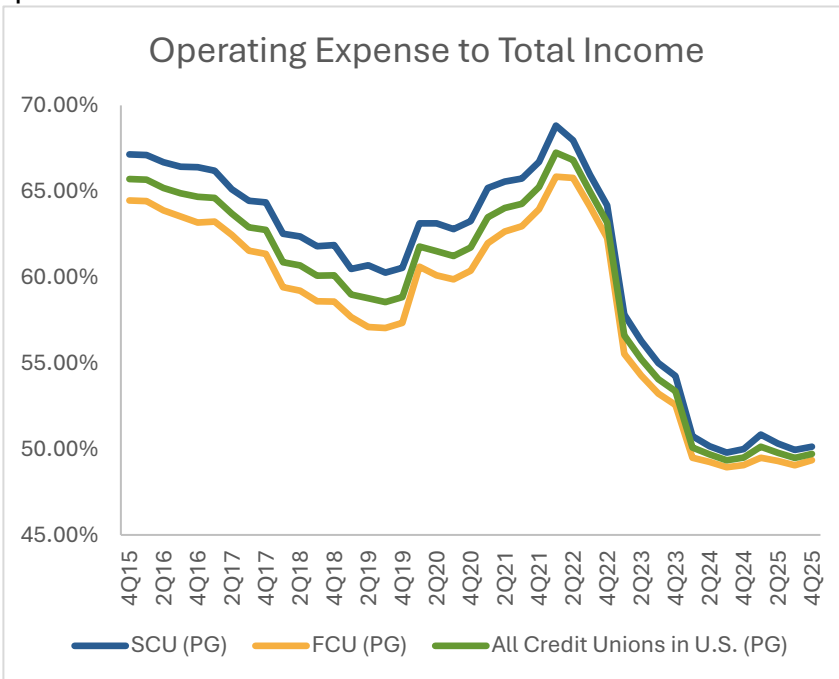
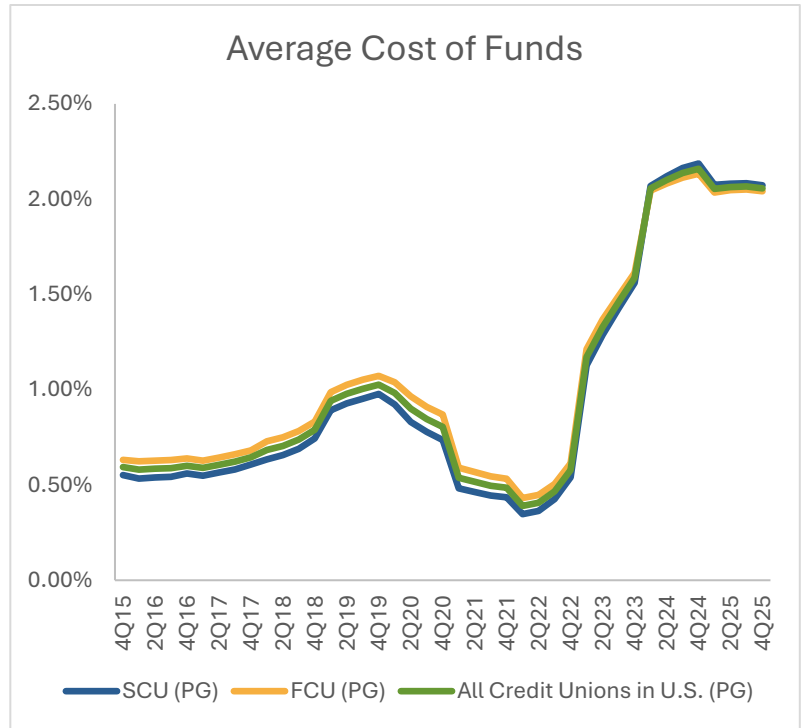
Average SCU cost of funds peaked in late 2024 and eased slightly in 2025 with SCU ratios of 2.19% (4Q24) declining to 2.07% (4Q25) but remain significantly higher than pre-pandemic levels. FCU cost of funds



exhibited a similar decline from 2.13% (4Q24) to 2.04% (4Q25). FCUs remain a few basis points lower on funding, helping preserve a FCU 4-basis point advantage exhibited since 1Q24. The more recent FCU cost of funds advantage is noted despite the margin advantage held by SCUs every quarter from 4Q15 to 4Q23 which averaged 8-basis points each quarter.

The percentage of profitable SCUs improved slightly from 90% at 3Q25 to 91% on December 31, 2025. Considering only the 1,529 profitable SCUs, annualized spot ROA averaged .88% with a median of .77%.

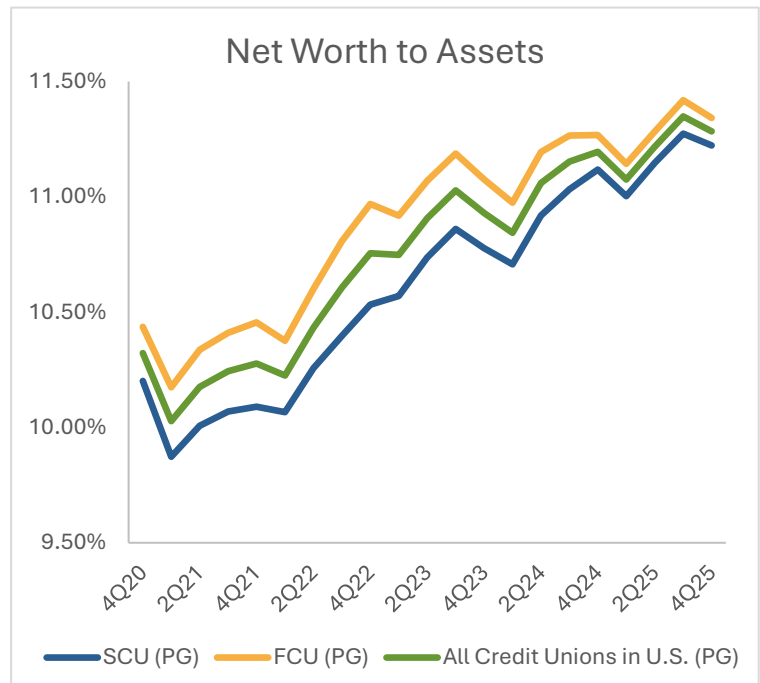
Earnings were also assisted by declines in operating expenses to total income. Over the last two years this ratio fell sharply for both charters with SCUs declining from 54.40% to 50.13% (-427 bps) and FCUs from 52.57% to 49.35% (-322 bps) from 4Q23 to 4Q25. While the performance gap has narrowed, SCUs have consistently performed worse than FCUs relative to the operating expense to total income ratio averaging 242 basis points above FCU performance since 4Q15.



Net Worth

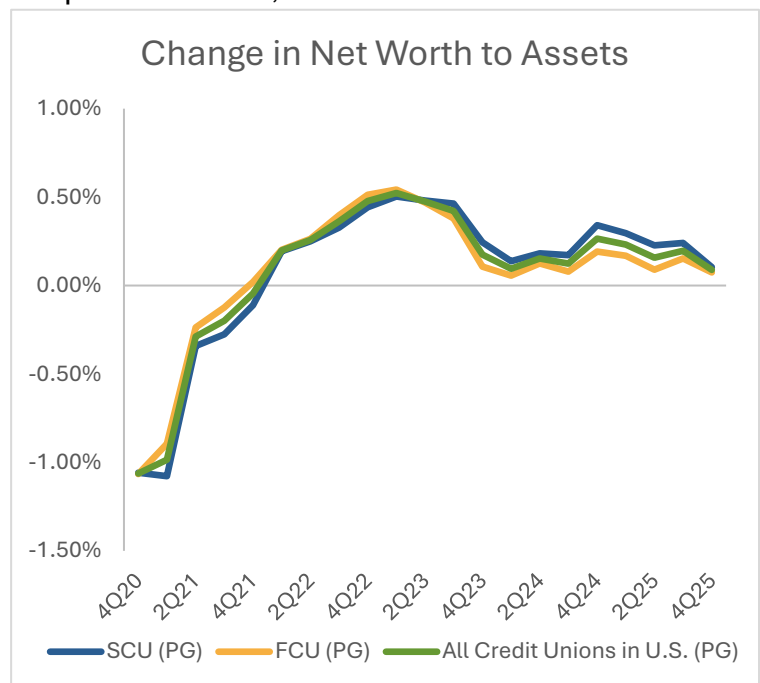
The aggregate net worth ratio for SCUs declined 5-basis points from the previous quarter to 11.22%, 12-basis points less than the aggregate FCU net worth ratio of 11.34%, which declined 8-basis points from 3Q25. Overall SCU net worth has shown a positive trend with improvement of 102-basis points from the 4Q20 ratio. Relatively modest asset growth, outpaced by earnings retention, continues to drive the net worth ratio. However, the actual dollar change in net worth exhibited over the last five years continues to be rather anemic.

The FCU aggregate NW ratio followed the same general trend, improving 91 basis points from 4Q20.



While aggregate net worth continues to show positive trends, the number of individual outliers has increased. Twenty state charters failed to meet the PCA¹ definition of “well capitalized”, exceeding the 11 outliers from the previous quarter end. Of those, 15 charters met the definition of “adequately capitalized” with 5 remaining SCUs falling into an undercapitalized category.

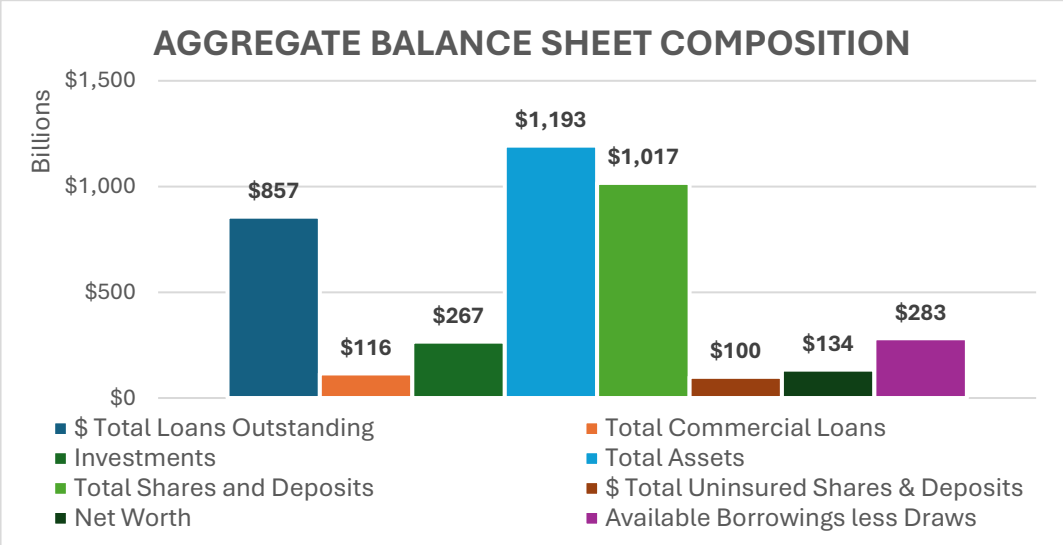
Comparatively, 42 FCUs failed to meet the PCA definition of “well capitalized” (up from 13 the previous quarter), with 23 FCUs defined as adequately capitalized and 19 in an undercapitalized category. Four of those FCUs report as critically undercapitalized.



¹ See NCUA R&R Part 702.102 Table 1.

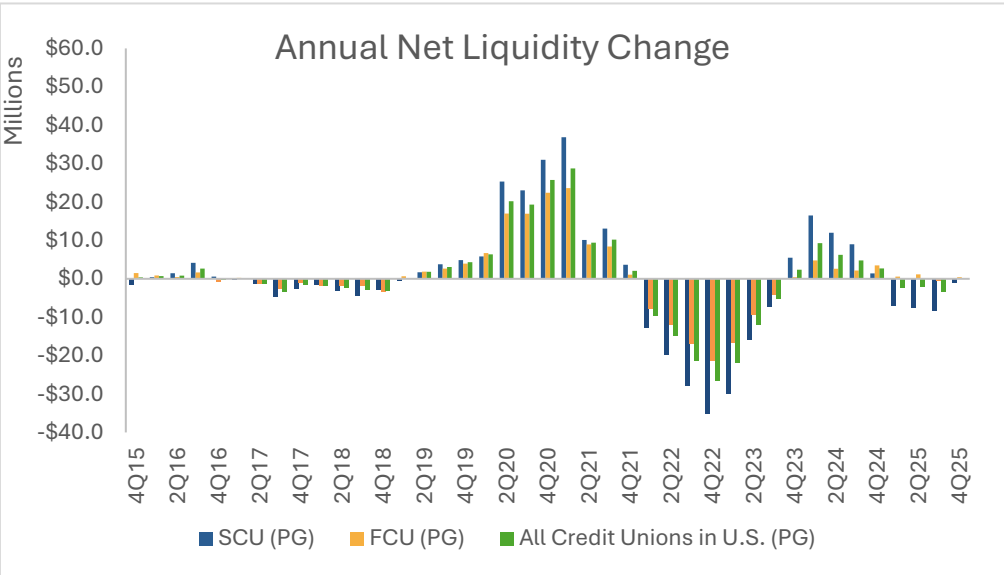
Balance Sheet Composition

The \$1.19 trillion SCU 4Q25 aggregate balance sheet grew \$40 billion from YE 2024 due primarily to the material inflow of deposits reported in 1Q25. During 2Q and 3Q25, much of those funds transitioned into the loan portfolio increasing loans to 71.8% of the balance sheet. 4Q25 FCU loans represent 69.6% of the balance sheet by comparison.



The SCU industry aggregate balance sheet was funded primarily with \$1 trillion in total shares and deposits and backed by aggregate SCU net worth of \$134 billion, essentially static from the previous quarter.

In aggregate, SCUs reported \$283 billion available lines to address short-term liquidity concerns, an increase of approximately \$7 billion from 3Q25.

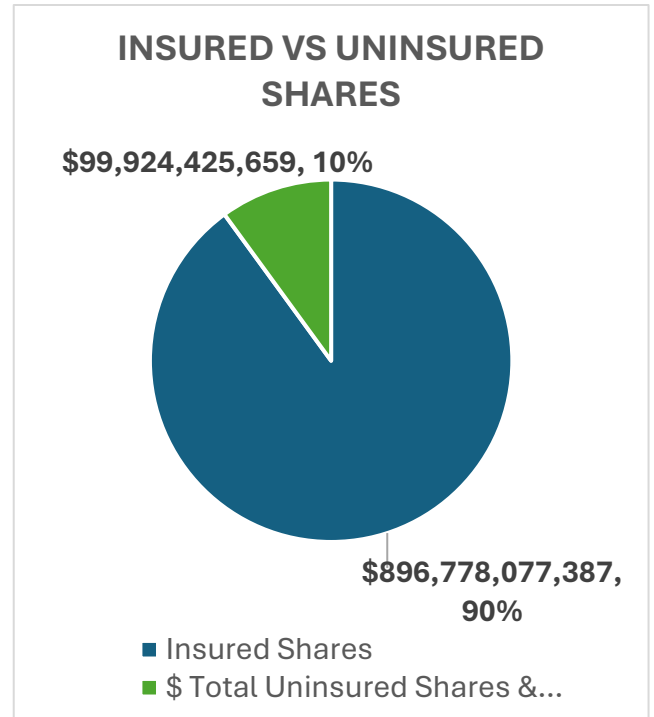


The consolidated SCU liquidity position declined due to the transition of 1Q25 deposits, initially held in liquid assets into the loan portfolio during 2Q and 3Q25. Liquidity remains relatively stable, and while improved from the lows experienced in 2022, the aggregate SCU position is

well below the liquidity availability of 2020. At 4Q25, SCU net liquid funds to short term savings improved 25-basis points to 11.68% from YE 2024 ratio of 11.43%. Relatively, FCUs increased this ratio 80-basis points from 11.45% to 12.25% and exhibiting performance with a ratio averaging 57-basis points higher than SCUs.

SCU uninsured shares at 4Q25 were reported at approximately \$100 billion, an increase of \$3.7 billion from 3Q25 and representing 10% of total shares. At YE 2024, uninsured shares represented 9% of total shares at approximately \$87.6 billion.

Total loans held by SCUs approximated \$857 billion at 4Q25, down \$1 billion from 3Q25. SCU total loans represented approximately 72% of total assets on December 31, 2025, consistent with the composition reported at YE 2024.

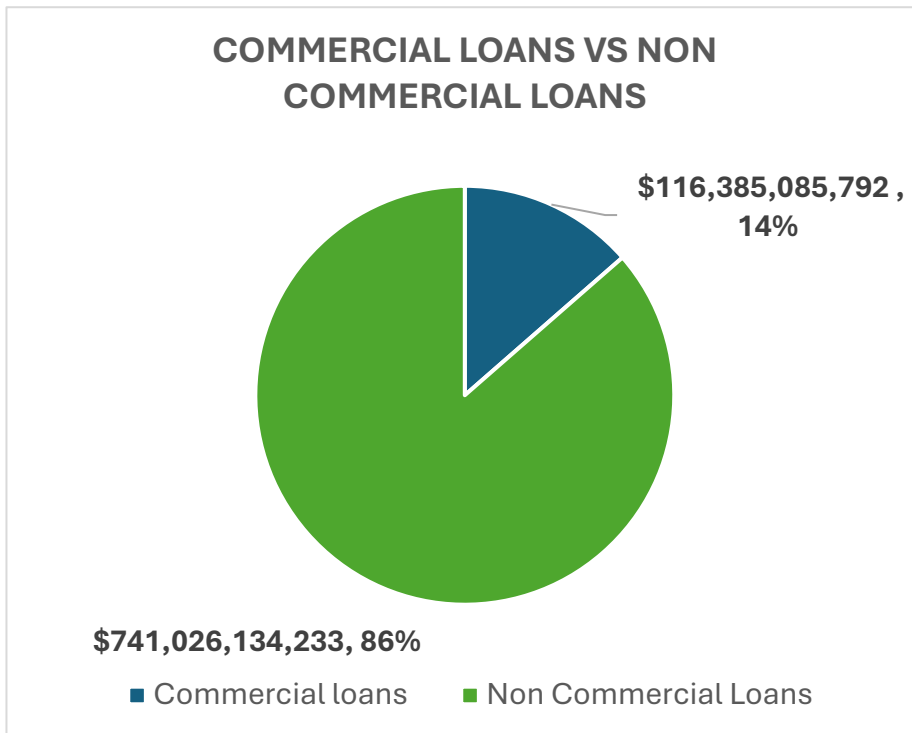


Commercial loans represent approximately 14% of the aggregate SCU loan portfolio at \$116 billion, an increase of \$1 billion from the previous quarter and \$10 billion from YE 2024 when commercial loans represented 13% of the aggregate SCU loan portfolio.

A shift toward an increased mix of commercial loans in the aggregate SCU loan portfolio has been exhibited by consistent commercial loan growth since 2020.

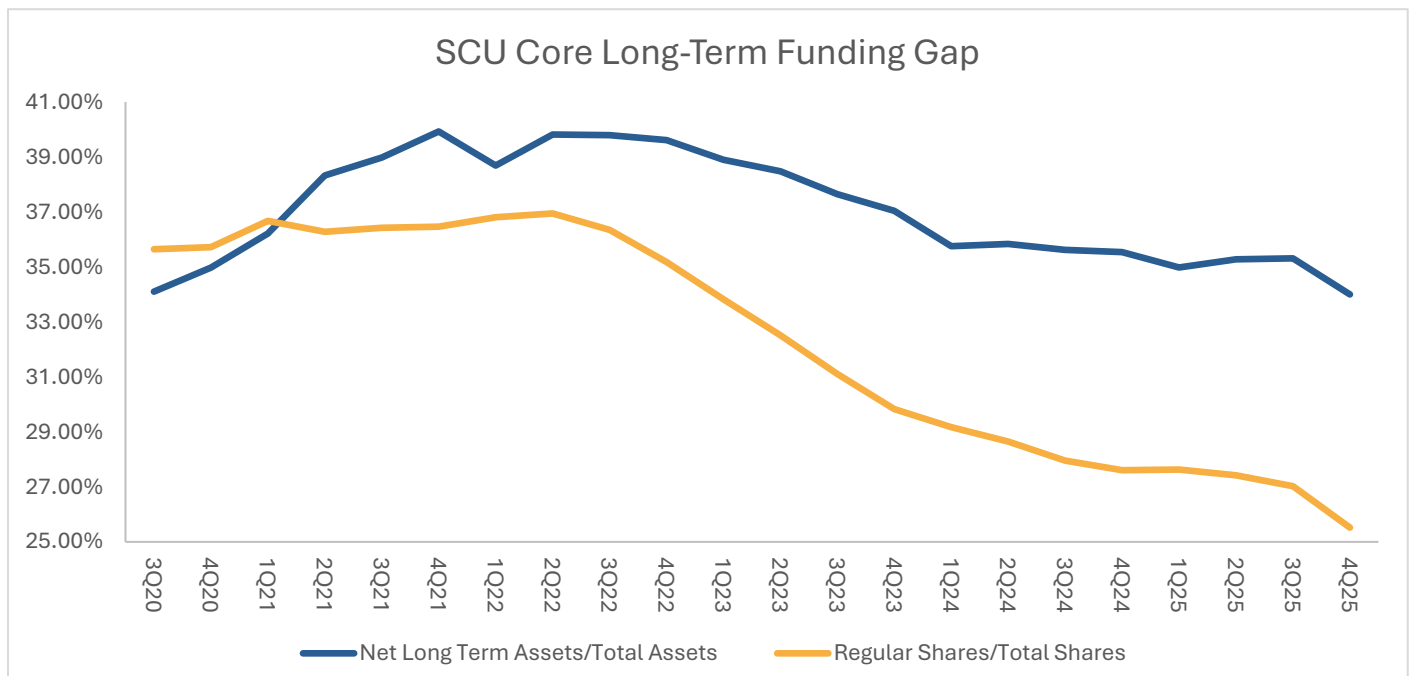
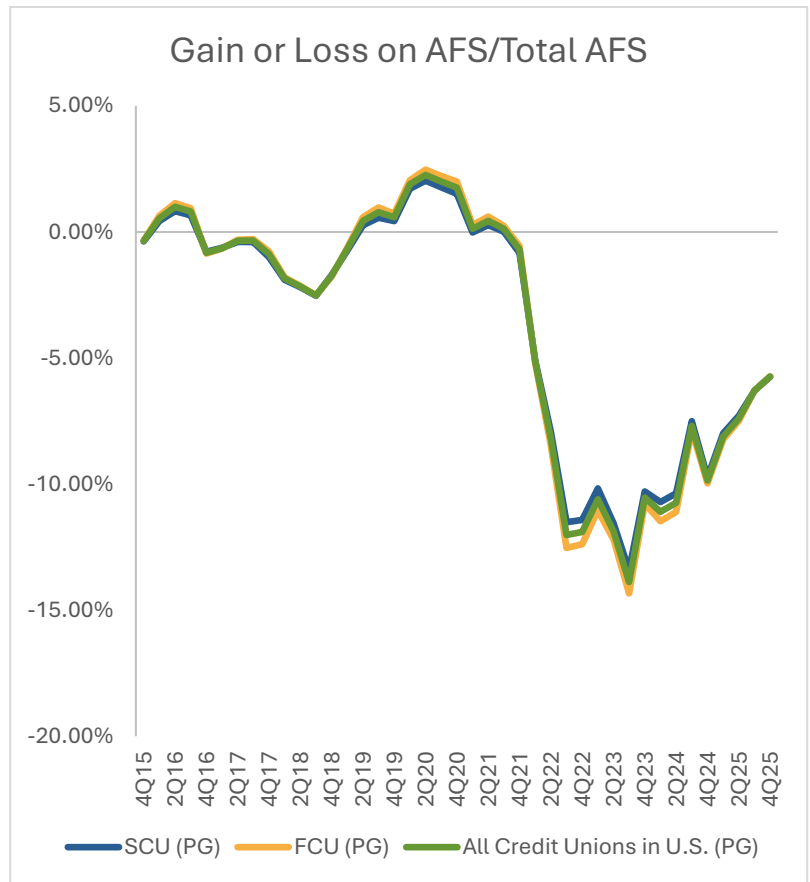
Investments held by SCUs represented \$267 billion, decreasing another \$2 billion during 4Q25 and further impacting potential liquidity.

The YE 2025 investment portfolio was at the lowest levels noted since YE 2020.

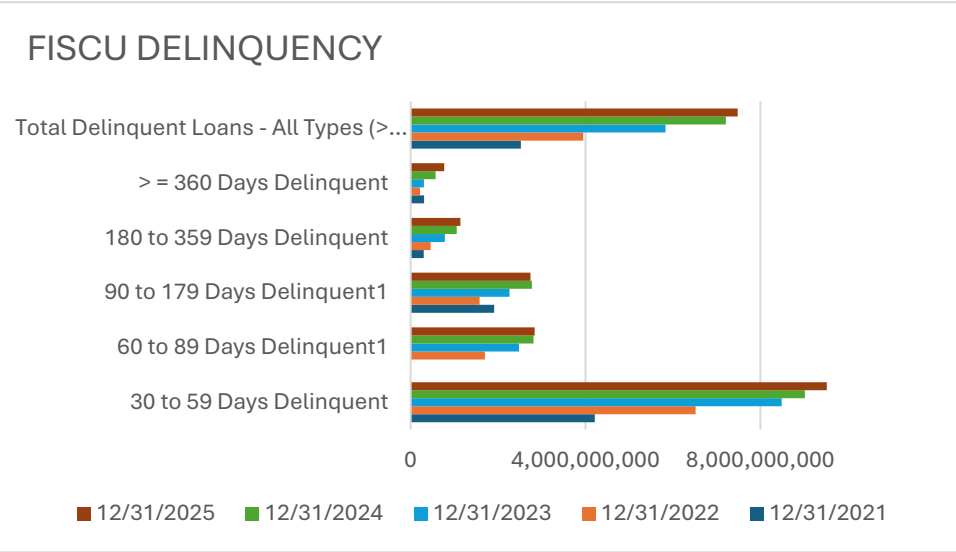


Continued improvement in AFS unrealized losses continues to be noted 4Q25. AFS mark-to-market losses improved to representing a -5.74% potential principal impact on total AFS securities for SCUs. This is slightly less than the -5.72% potential principal impact on FCU AFS investment portfolios.

As evident in the Core Long-Term Funding Gap graphic, continued declines in regular shares continue to widen the SCU portfolio liquidity gap despite the relative leveling of long-term assets. While the projected leveling of long-term assets is hopeful, the recent increased use of balance sheet liquidity without compensating regular share growth continues to indicate weak market access to lower cost funding, particularly in response to further potential negative economic impacts.



Delinquency and Charge Offs



4Q25 FISCU delinquency greater than 60 days increased \$273 million from \$7.2 billion YE 2024 to \$7.5 billion.

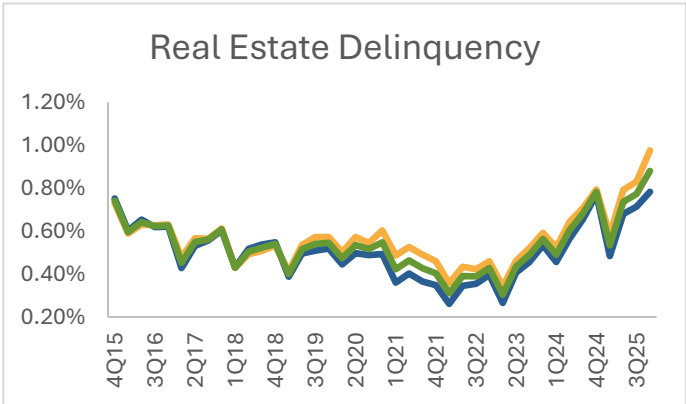
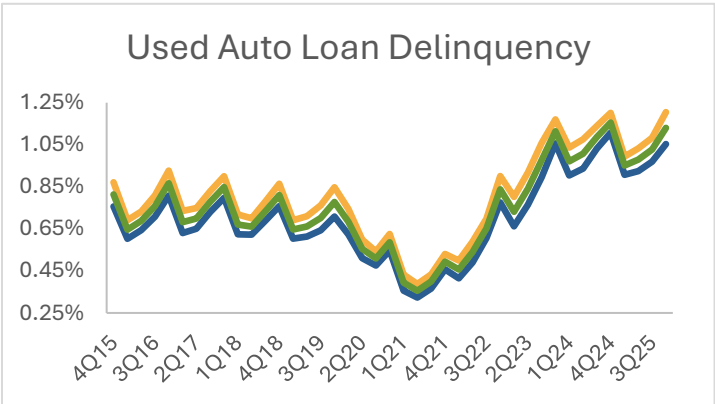
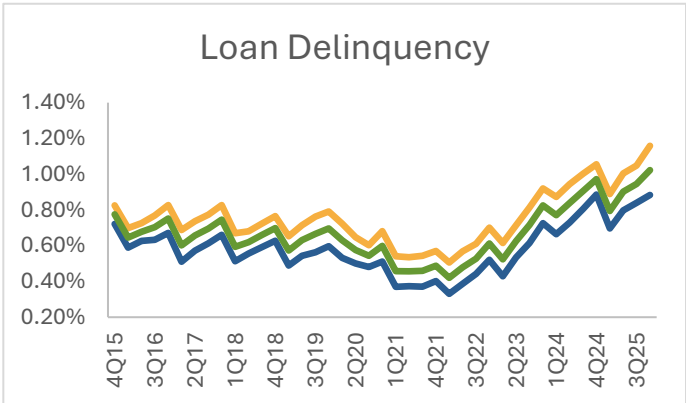
Delinquent loans less than 60 days also increased \$503 million from the \$9 billion reported at 4Q24 to \$9.52 billion.

FISCU delinquency increased from YE 2024

in each of the reporting periods except for an aggregate \$30 million decrease in the 90-to-179 day bucket.

While the growth of the loan portfolio was steady, SCU delinquent loans actually declined .32% compared to an increase of 9.74% by FCUs at 4Q25.

With the relative strength of the loan portfolio growth, SCU delinquent loans to total loans increased 4 basis points to .88% at 4Q25. The graphs below illustrate these trends and



SCU (PG)

FCU (PG)

All Credit Unions in U.S. (PG)

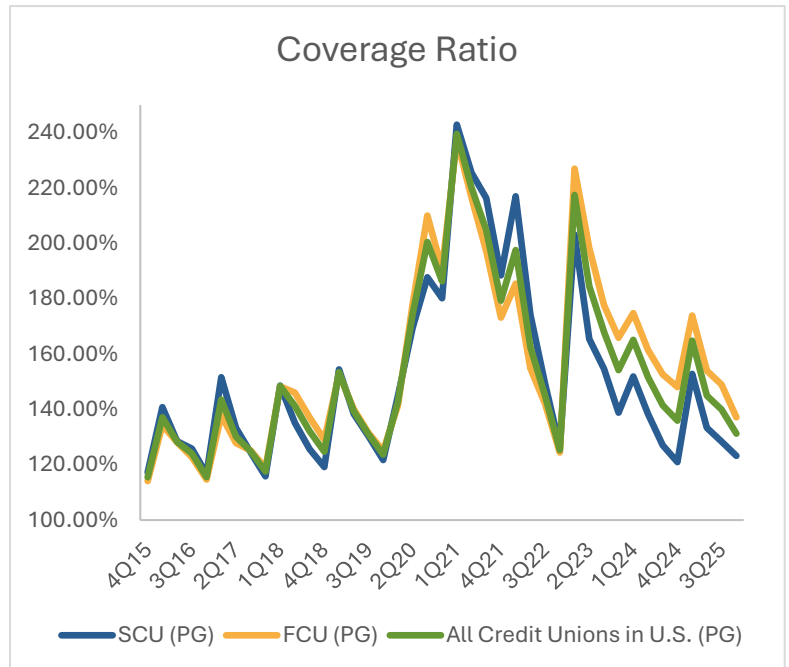
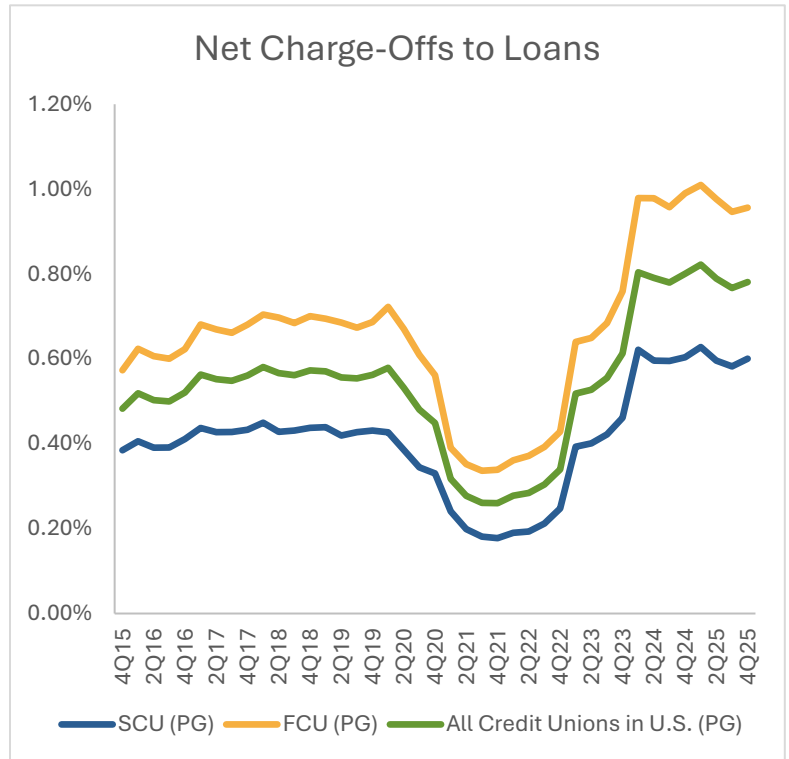
highlight that SCUs continue to report total delinquencies at rates less than those of their federally chartered peers. Delinquencies in real estate and auto loans increased while credit card delinquencies performed relatively stable at 1.69% at 4Q25.

It should also be noted that the ratio of net charge-offs to loans, a measurement of the credit union's past management of credit risk, has obtained stability over the last four quarters, albeit at levels above pre-pandemic performance.

A review of the 10-year history visually represents the pre- and post-pandemic performance. At 4Q25, SCUs experienced a net loss ratio of .60%, up 2-basis points from 3Q25 but 17-basis points higher than that of 1Q20.

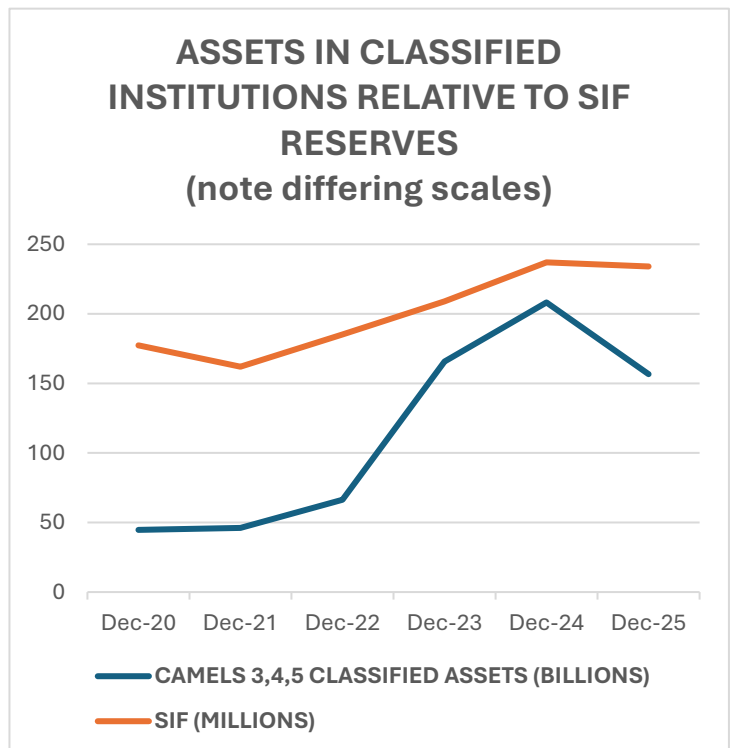
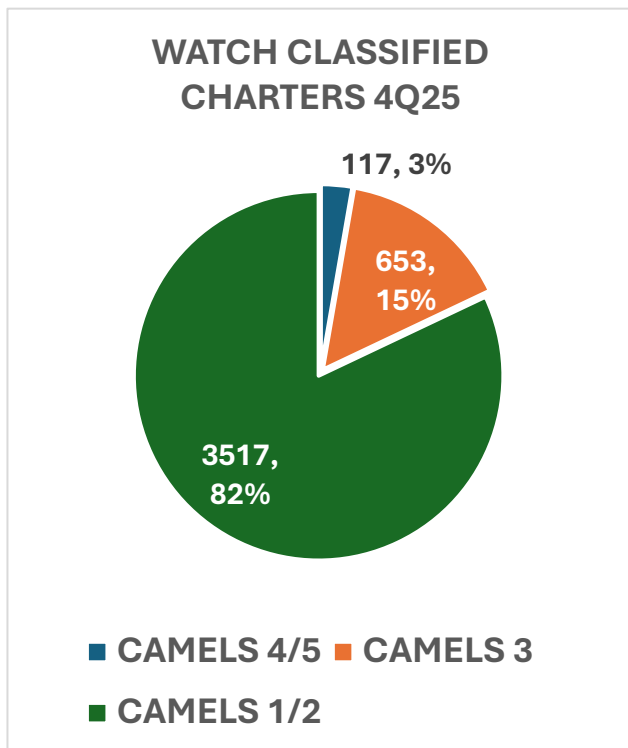
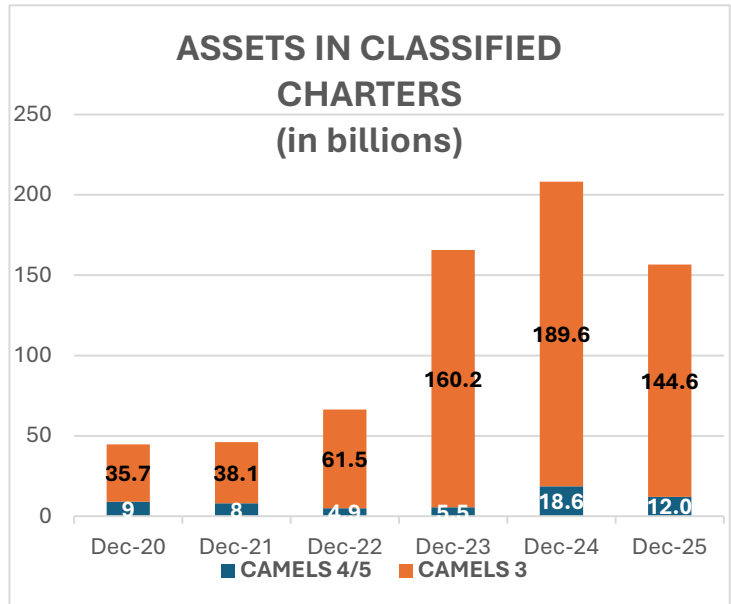
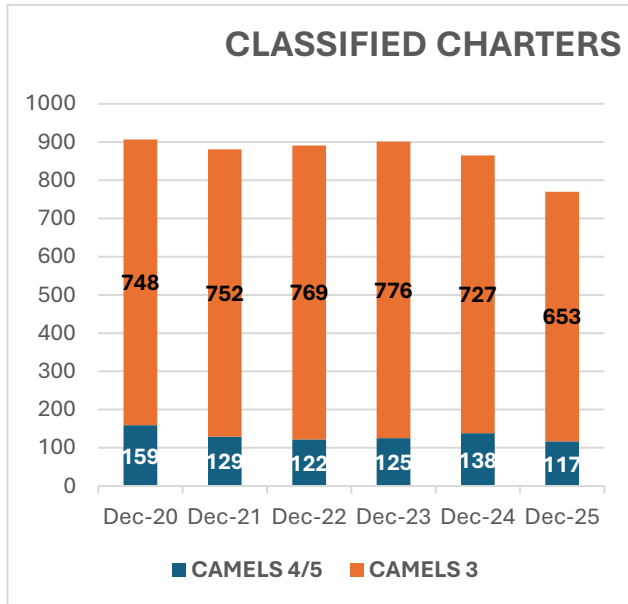
SCUs continue to outperform FCUs reported charge-off ratio of .96%, which is 36-points higher than the SCU experience.

While delinquency stabilization was noted from the beginning of 2025, the coverage ratio (ALLL/Delinquent Loans), for SCU has declined over the last three quarters, impacted primarily by increased (but still modest) SCU loan growth. At 4Q25 SCUs had reserves approximating 123% of the loan portfolio. While this approximates the 120% performance at 4Q24, it remains well below the peak of 242% at 1Q21 and 153% at 1Q25. FCUs aggregately held 14-basis point more reserves reporting 137% of their loan portfolio in reserves at 4Q25.

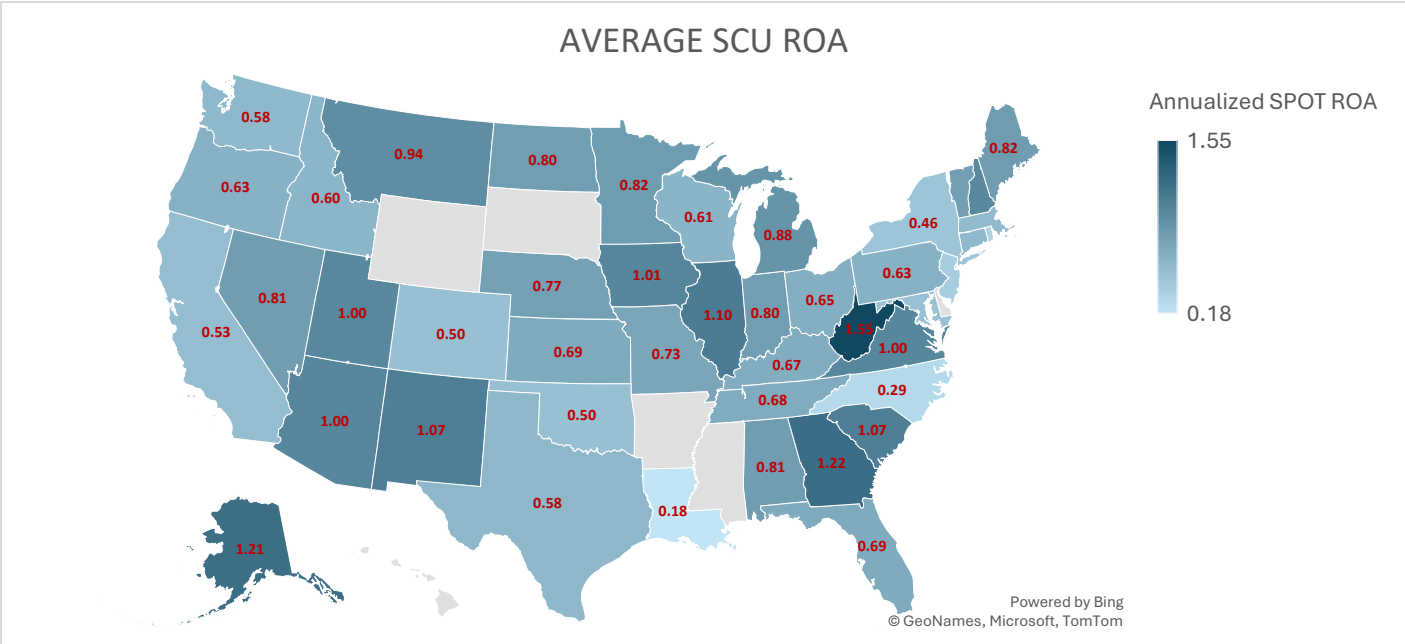
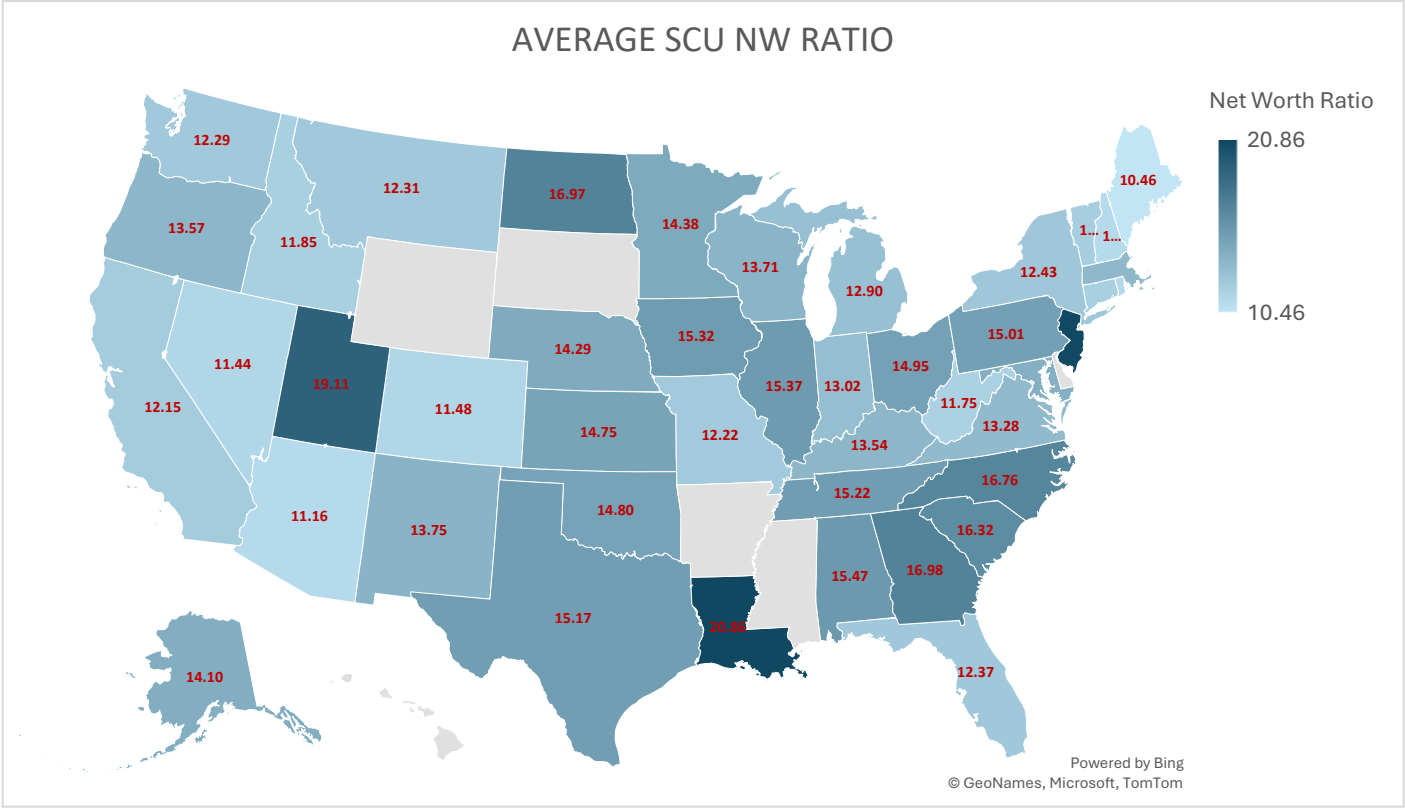


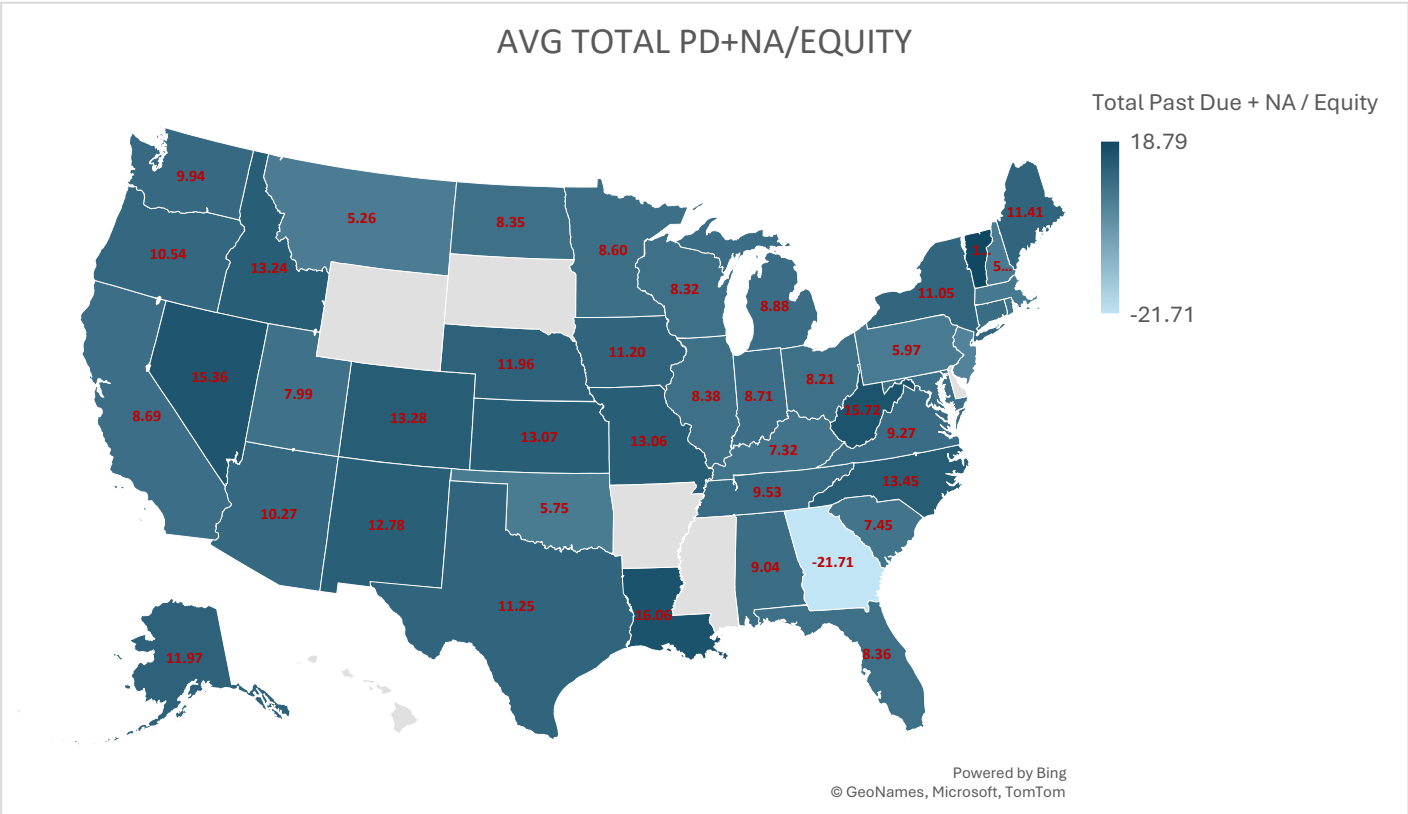
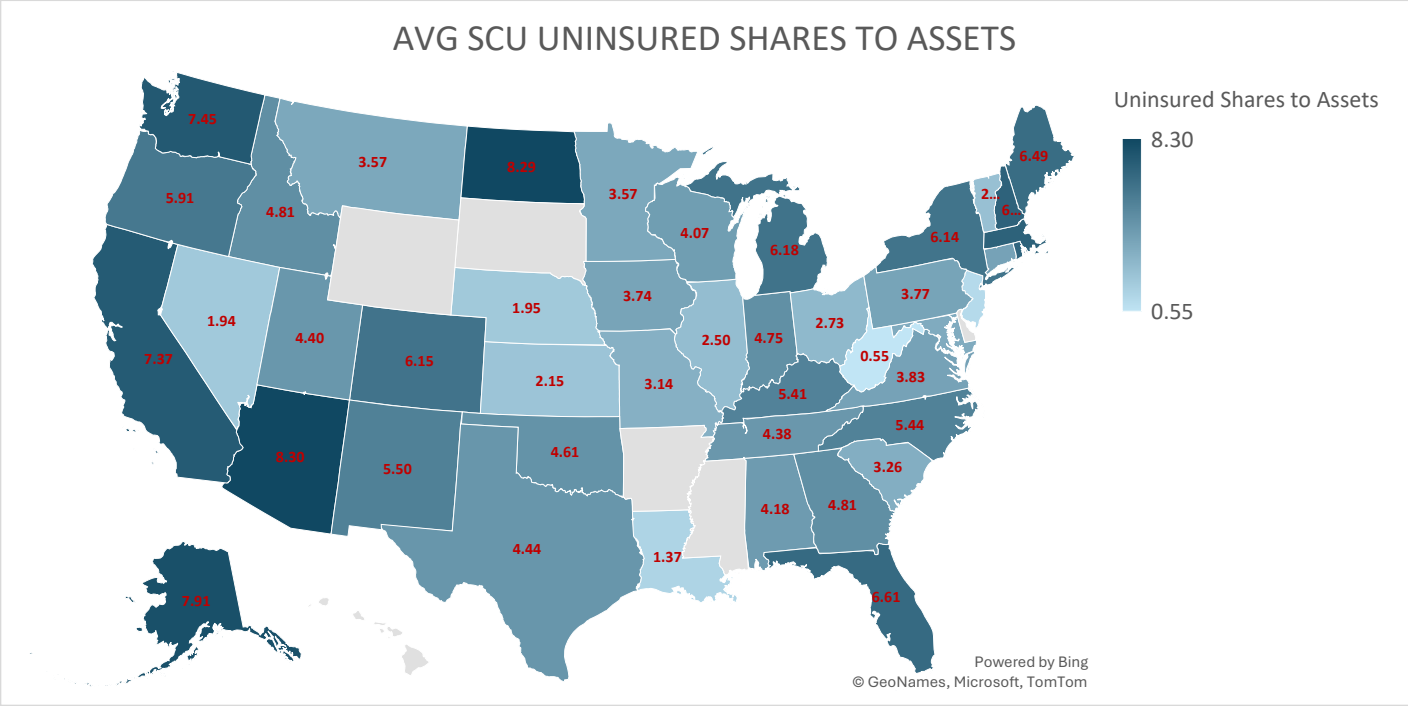
Watch CU Assets/Institutions and NCUA SIF and ASI Reserve Analysis

The following graphs represent the level of Watch institutions, those with a composite rating three or worse, based on information provided in the NCUA's quarterly review of the SIF and American Share Insurance.

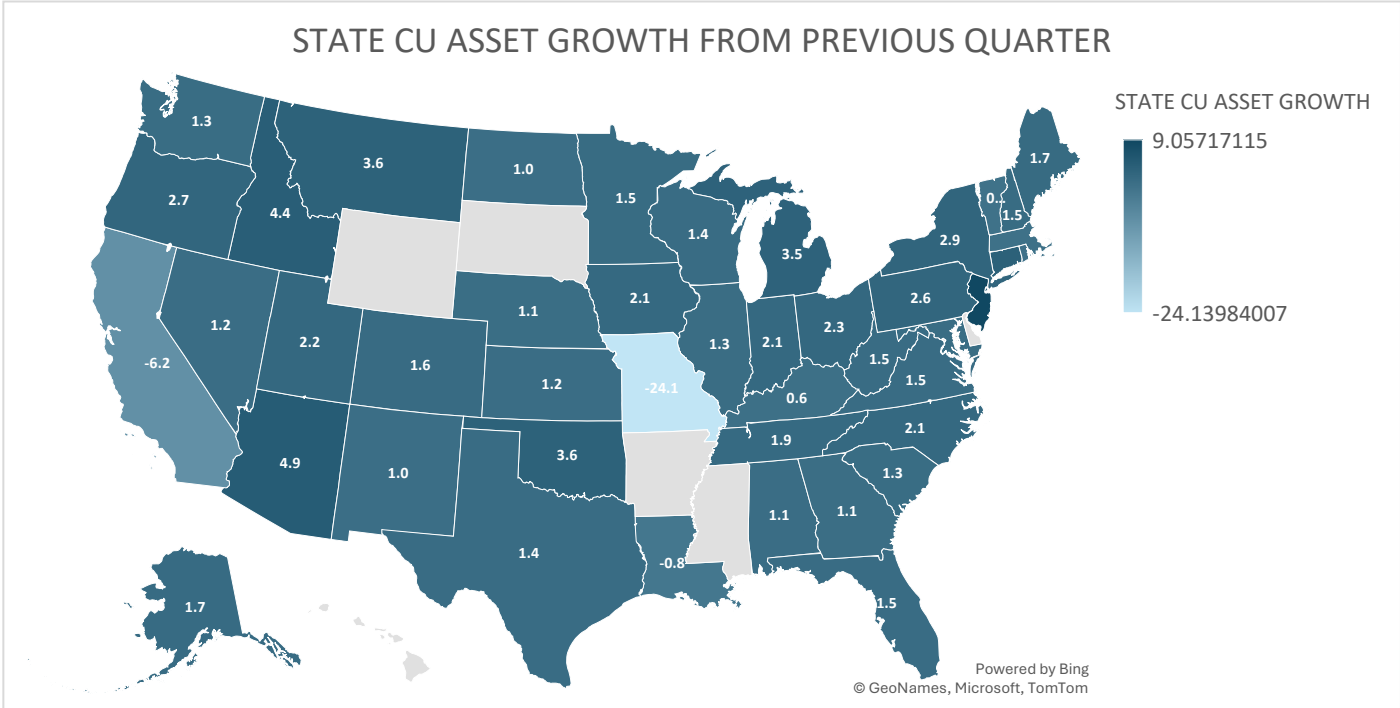
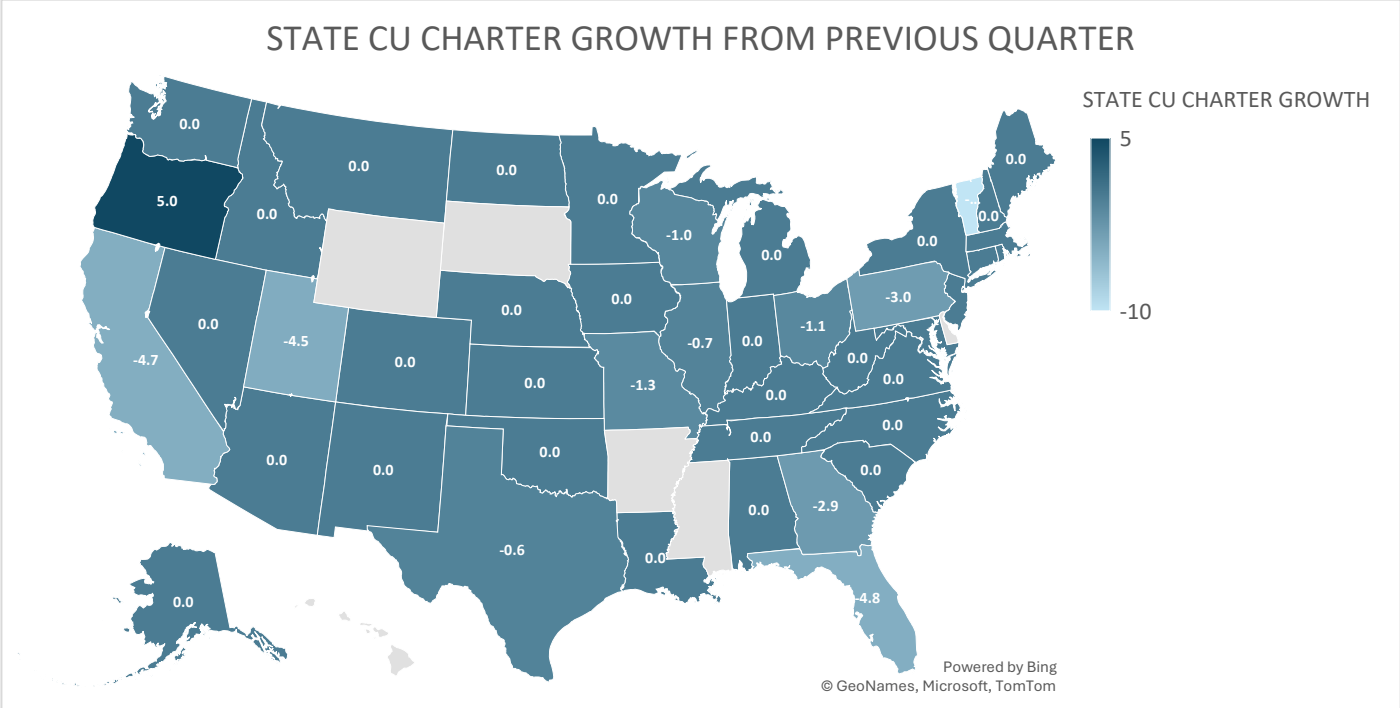


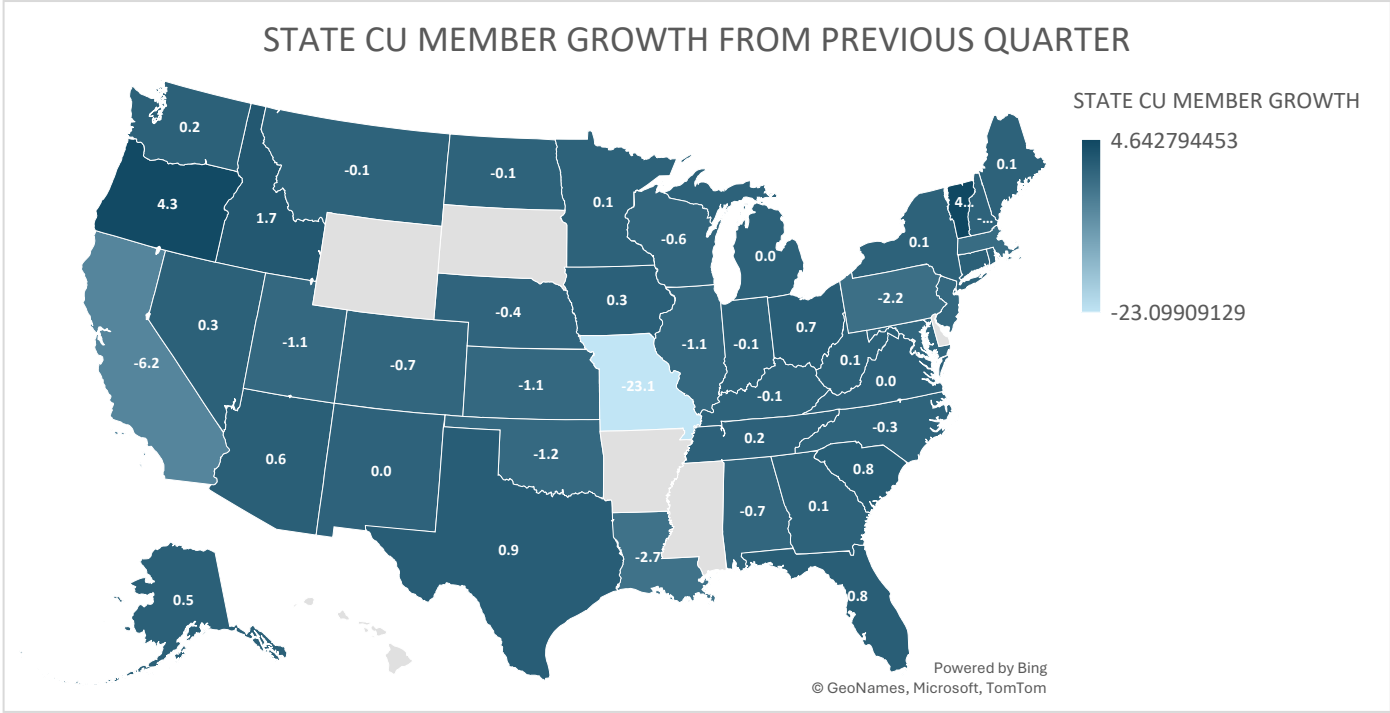
State Maps



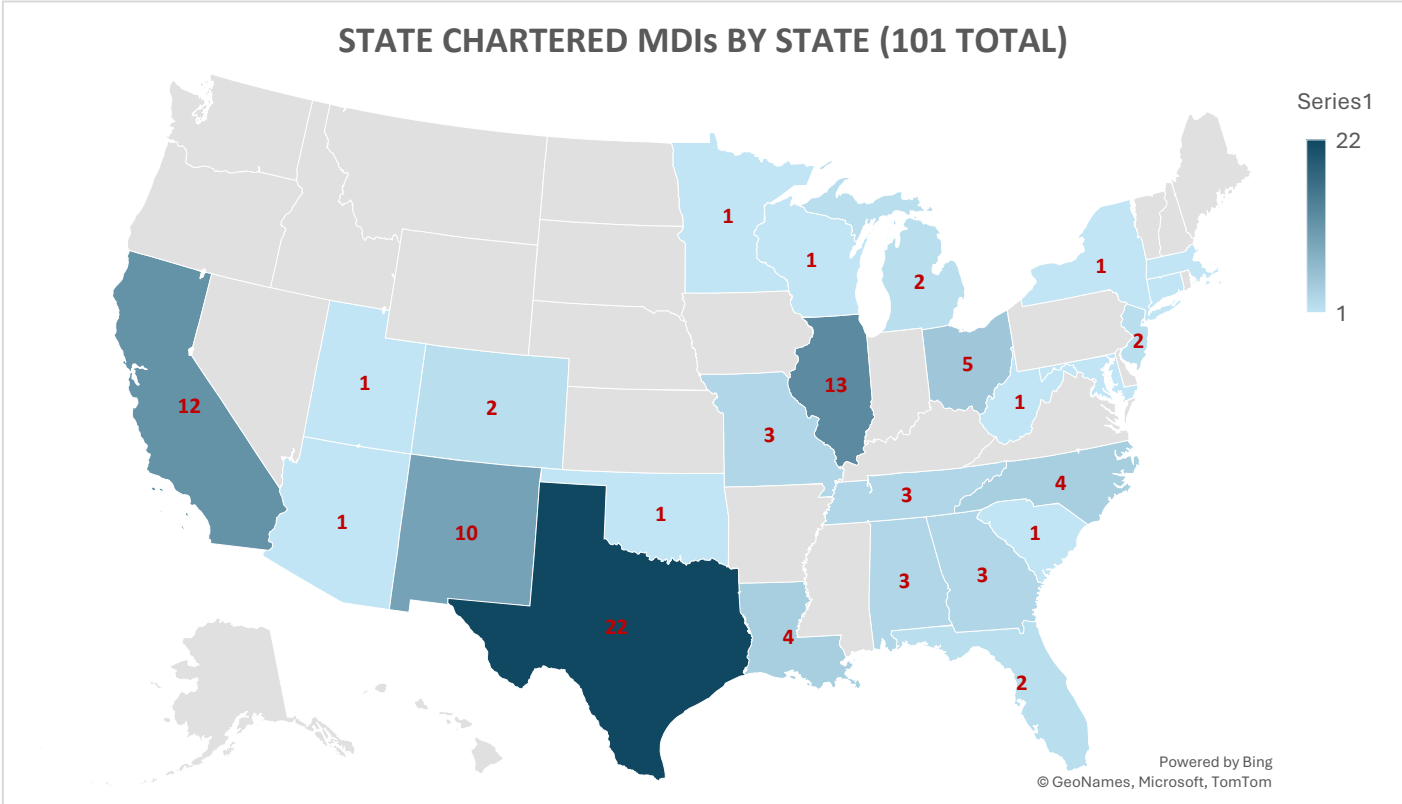
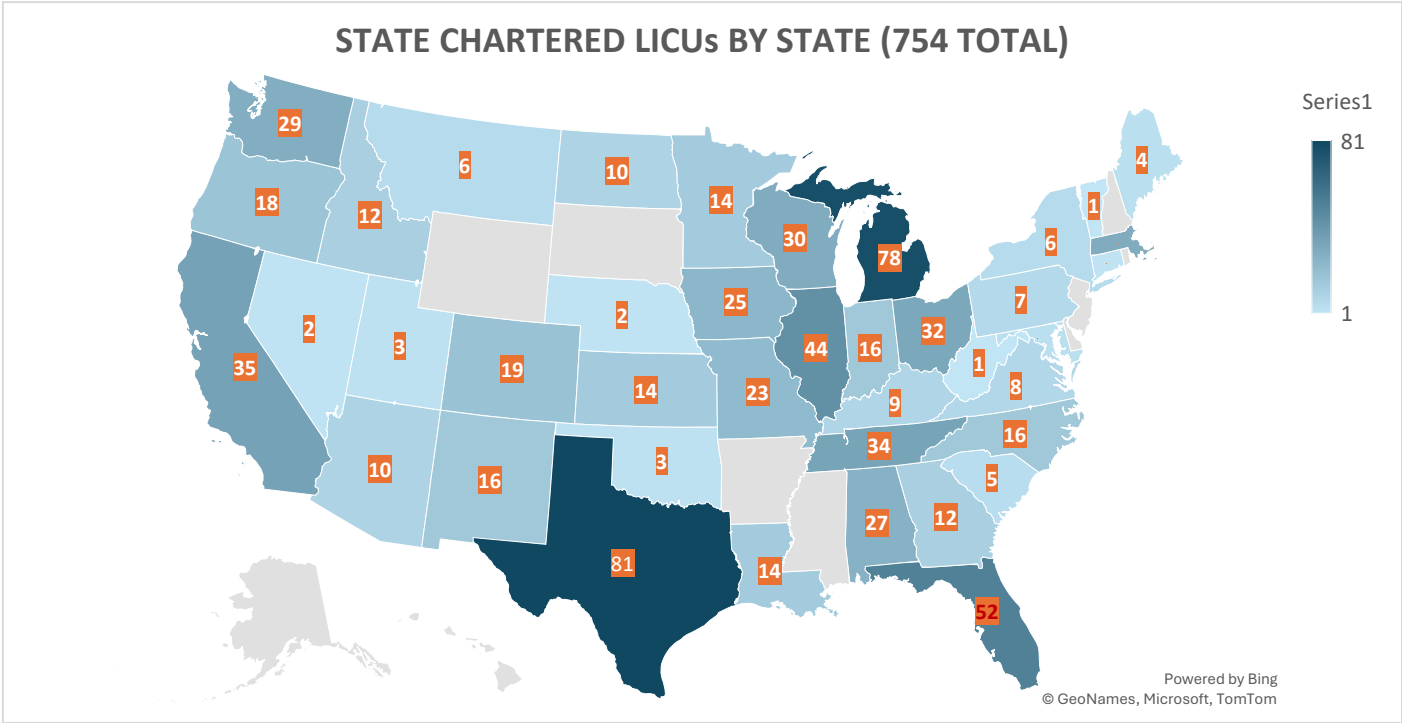


State Growth Rates





State Credit Union LICU AND MDI Designations



State Rankings

Information provided regarding the rankings of states based on size of largest SCU, size of largest FCU, total CUs, highest percentage of SCU charters, assets and members to respective totals for those states.

STATE RANKINGS						
RANKING	LARGEST SCU	LARGEST FCU	TOTAL CUS	% SCU CHARTERS	% SCU ASSETS	% SCU MEMBERS
1	NC	VA	TX	WI	IA	RI
2	WA	CA	PA	IA	RI	IA
3	CA	NY	NY	MO	WI	WI
4	IL	TX	CA	IL	WA	WA
5	FL	UT	OH	KS	ND	IL
6	MI	PA	IL	MN	IL	ND
7	ID	MD	MI	MI	NV	OR
8	IA	NC	LA	VT	GA	CO
9	CO	FL	TN	WA	OR	NV
10	TN	TN	NJ	NV	CO	GA
11	OH	IN	MA	ID	MO	MO
12	OR	SC	IN	NH	ID	MI
13	AZ	MA	FL	RI	MI	ID
14	MN	OK	WI	ND	FL	FL
15	PA	MI	VA	TN	AZ	AZ
16	GA	AL	MO	AL	MN	OH
17	WI	HI	AL	FL	OH	MN
18	NY	NJ	MN	CO	NC	NC
19	MD	AK	WA	NC	CT	CT
20	IN	LA	GA	NM	AL	AL
21	TX	NM	WV	GA	IN	CA
22	MO	KY	IA	AZ	MT	MA
23	RI	OH	CO	OH	MA	IN
24	AL	KS	CT	OR	TN	TN
25	MA	DC	MD	CA	CA	MT
26	CT	MS	KS	TX	KS	TX
27	MT	MN	NC	UT	TX	KS
28	VA	ME	KY	CT	NH	ME
29	KS	NH	OK	MA	ME	NH
30	NH	IL	UT	KY	NM	NM

STATE RANKINGS						
RANKING	LARGEST SCU	LARGEST FCU	TOTAL CUS	% SCU CHARTERS	% SCU ASSETS	% SCU MEMBERS
31	NV	AZ	NE	ME	PA	KY
32	AK	VT	OR	IN	MD	PA
33	ND	CO	ME	MT	KY	NY
34	NM	SD	SC	NE	NY	MD
35	UT	WY	MT	VA	NE	VT
36	PR	NE	NM	LA	VT	LA
37	LA	AR	AZ	SC	LA	NE
38	ME	WV	ND	OK	AK	AK
39	OK	WA	ID	PA	OK	OK
40	KY	CT	VT	MD	UT	SC
41	NE	OR	RI	AK	SC	UT
42	VT	GA	NV	NY	VA	WV
43	SC	ID	NH	WV	WV	VA
44	WV	MT	AK	NJ	NJ	NJ
45	NJ	MO	AR	AR	AR	MS

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