

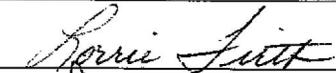
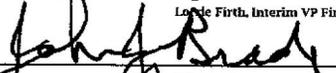
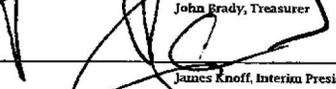
TUCSON OLD PUEBLO CREDIT UNION - FINANCIAL STATEMENTS
AS OF JULY 31, 2012

Assets	Current Month		Prior Month		Difference		Prior Year		Difference	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Loans										
Credit Cards	8	\$ 4,646.89	8	\$ 3,172.26	-	\$ -	0	\$ -	8	\$ 4,646.89
Unsecured	1,453	3,028,913.80	1,447	2,932,553.24	6	96,360.56	1,460	2,763,670.56	(7)	265,243.24
Direct Auto	1,332	13,664,276.74	1,332	13,485,554.74	0	178,722.00	1,377	13,131,205.98	(45)	533,070.76
Indirect Auto	1,222	9,027,614.62	1,276	9,431,663.34	(54)	(404,048.72)	1,926	16,129,553.97	(704)	(7,101,939.35)
Home Equity	418	10,194,854.85	419	10,218,771.00	(1)	(23,916.15)	438	10,886,207.83	(20)	(691,352.98)
Fixed Real Estate	376	26,753,399.85	379	26,969,176.88	(3)	(215,777.03)	403	30,074,576.02	(27)	(3,321,176.17)
Variable Real Estate	82	5,695,388.13	82	5,709,127.91	0	(13,739.78)	93	6,667,798.90	(11)	(972,410.77)
Savings and Certificate Secured	140	758,101.76	142	775,505.57	(2)	(17,403.81)	136	874,607.16	4	(116,505.40)
Other	87	1,006,988.23	90	1,090,535.58	(3)	(83,547.35)	95	1,244,339.35	(8)	(237,351.12)
Gross Loans	5,118	\$ 70,134,184.87	5,175	\$ 70,616,060.52	(57)	\$ (483,350.28)	5,928	\$ 81,771,959.77	(810)	\$ (11,637,774.90)
Prepaid Loan Fees		41,831.03		41,198.02		633.01		40,719.72		1,111.31
Loan Participation	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Allowance for Loan Losses	5,118	\$ 70,176,015.90	5,175	\$ 70,657,258.54	(57)	\$ (481,242.64)	5,928	\$ 81,812,679.49	(810)	\$ (11,636,663.59)
Net Loans		\$ 68,373,709.56		\$ 68,797,171.22		\$ (423,461.66)		\$ 79,992,238.34		\$ (11,618,528.78)
Cash		12,661,389.34		10,655,265.51		2,006,123.83		9,445,768.58		3,215,620.76
Investments		46,537,800.77		49,321,141.09		(2,783,340.32)		34,372,575.54		12,165,225.23
Other Assets										
Land and Building		4,274,789.85		4,286,911.62		(12,121.77)		4,249,234.36		25,555.49
Furniture and Equipment		343,939.82		353,647.74		(9,707.92)		339,086.54		4,853.28
Other Assets		2,577,990.12		2,804,768.02		(226,777.90)		2,407,754.18		170,235.94
Total Other Assets		\$ 7,196,719.79		\$ 7,445,327.38		\$ (248,607.59)		\$ 6,996,075.08		\$ 200,644.71
Total Assets		\$ 134,769,619.46		\$ 136,218,905.20		\$ (1,449,285.74)		\$ 130,806,657.54		\$ 3,962,961.92
Liabilities and Equity										
Accounts Payable/Liabilities		\$ 819,551.02		\$ 531,881.13		\$ 287,669.89		\$ 1,139,195.64		\$ (319,644.62)
Total Borrowings		-		-		0.00		-		0.00
Member Deposits										
Savings and Clubs	14,904	48,261,421.36	14,951	48,505,832.17	(47)	(244,410.81)	15,355	42,734,899.90	(451)	5,526,521.46
Money Market accounts	863	25,694,025.36	866	25,806,750.04	(3)	(112,724.68)	870	24,626,486.76	(7)	1,067,538.60
Checking	7,545	20,658,876.80	7,528	21,450,224.43	17	(791,347.63)	7,073	19,364,143.04	472	1,294,733.76
Certificates	1,283	18,085,703.12	1,304	18,383,073.22	(21)	(297,370.10)	1,469	20,781,048.50	(186)	(2,695,345.38)
Demand IRAs	566	5,728,676.99	552	5,734,848.05	14	(6,171.06)	570	5,545,876.40	(4)	182,800.59
IRA Certificates	512	6,161,210.02	516	6,181,426.49	(4)	(20,216.47)	563	6,815,097.74	(51)	(653,887.72)
Total Member Deposits	25,673	\$ 124,589,913.65	25,717	\$ 126,062,154.40	(44)	\$ (1,472,240.75)	25,900	\$ 119,867,552.34	(227)	\$ 4,722,361.31
Capital										
Regular Reserves		5,459,831.13		5,459,831.13		0.00		5,329,917.13		129,914.00
Undivided Earnings		3,900,323.66		4,165,038.54		(264,714.88)		4,469,992.43		(569,668.77)
Other Capital		0.00		0.00		0.00		0.00		0.00
Total Capital		\$ 9,360,154.79		\$ 9,624,869.67		\$ (264,714.88)		\$ 9,799,909.56		\$ (439,754.77)
Total Liabilities and Equity		\$ 134,769,619.46		\$ 136,218,905.20		\$ (1,449,285.74)		\$ 130,806,657.54		\$ 3,962,961.92

**TUCSON OLD PUEBLO CREDIT UNION - FINANCIAL STATEMENTS
AS OF JULY 31, 2012**

Income	Current Month	Year to Date	Prior Year to Date		Budget	Budget	%
	Amount	Amount	Amount	Difference	Ytd	Difference	
Interest on Loans	\$ 330,581.72	\$ 2,444,715.15	\$ 3,059,442.00	-614,726.85	\$ 2,646,000	\$ (201,285)	-8%
Income from Investments	54,914.31	427,930.18	383,872.69	44,057.49	385,000	42,930	11%
Investment Services Income	12,008.88	117,516.52	80,609.40	36,907.12	98,000	19,517	20%
Fee Income	135,265.21	776,842.63	349,843.00	426,999.63	347,550	429,293	124%
Other Operating Income	18,300.00	31,167.69	462,990.02	-431,822.33	441,000	(409,832)	-93%
Total Income	\$ 551,070.12	\$ 3,798,172.17	\$ 4,336,757.11	-538,584.94	\$ 3,917,550	\$ (119,378)	-3%
Operating Expenses							
Employee Compensation	215,998.27	\$ 1,496,695.11	\$ 1,466,963.88	29,731.23	1,452,500	44,195	3%
Employee Incentives	40.00	375.00	410.00	-35.00	1,400	(1,025)	-73%
Employee Benefits	41,343.04	299,914.20	270,375.79	29,538.41	273,000	26,914	10%
Meetings	2,895.21	12,350.33	14,315.44	-1,965.11	22,980	(10,630)	-46%
Loan Servicing	10,471.97	68,462.09	69,674.25	-1,212.16	65,100	3,362	5%
State Banking Dept. Fee	1,283.00	8,981.00	8,851.50	129.50	9,800	(819)	-8%
Office Occupancy	42,071.78	256,256.98	246,397.73	9,859.25	260,750	(4,493)	-2%
Office Operations	49,912.85	366,471.67	399,145.95	-32,674.28	439,600	(73,128)	-17%
Miscellaneous Expenses	1,871.22	13,060.17	7,964.92	5,095.25	9,100	3,960	44%
Member Insurance	58,809.00	63,759.00	83,900.00	-20,141.00	47,750	16,009	34%
Association Dues	2,094.01	15,475.07	14,623.58	851.49	16,275	(800)	-5%
Educational & Training	270.59	11,138.84	21,168.57	-10,029.73	26,650	(15,511)	-58%
Professional & Outside Services	78,599.86	511,934.38	468,609.64	43,324.74	511,700	234	0%
Travel and Conference	598.59	6,692.04	7,096.55	-404.51	10,500	(3,808)	-36%
Promotional Expenses	8,758.19	64,136.72	84,781.01	-20,644.29	108,150	(44,013)	-41%
Cash Short/Over	(15.58)	725.47	1,196.05	-470.58	1,400	(675)	-48%
Deposit Account Adjustments	209.36	22,000.52	19,418.82	2,581.70	21,000	1,001	5%
Total Operating Expenses	\$ 515,211.36	\$ 3,218,428.59	\$ 3,184,893.68	33,534.91	\$ 3,277,655	\$ (59,226)	-2%
Net Operating Income	\$ 35,858.76	\$ 579,743.58	\$ 1,151,863.43	-572,119.85	\$ 639,895	\$ (60,151)	-9%
Provision for Losses	\$ 258,269.80	\$ 821,282.09	\$ (407,500.15)	1,228,782.24	\$ 210,000	\$ 611,282	291%
Dividends	28,303.84	255,670.70	371,594.65	-115,923.95	315,000	(59,329)	-19%
Interest on Borrowed Money	0.00	1,294.04	2,747.65	-1,453.61	2,100	(806)	-38%
Non-Operating (Income) Expense	14,000.00	111,420.95	990.10	110,430.85	0	(111,421)	budget is zero
Net Income (Loss)	\$ (264,714.88)	\$ (609,924.20)	\$ 1,184,031.18	-1,793,955.38	112,795	\$ (722,719)	-641%

We certify, to the best of our knowledge and belief, that these financial statements are true and correct and present fairly the financial position and the results of operations for the periods covered.


 Lorrie Firth, Interim VP Finance

 John Brady, Treasurer

 James Knoff, Interim President/CEO

08-16-2012
 Date
 8/16/12
 Date
 8-16-12
 Date

**TUCSON OLD PUEBLO CREDIT UNION - ADDENDUM TO THE FINANCIAL STATEMENTS
AS OF JULY 31, 2012**

Loan Delinquency	Current Month		Prior Month		Difference		Prior Year		Difference	
	<i>Number</i>	<i>Amount</i>	<i>Number</i>	<i>Amount</i>	<i>Number</i>	<i>Amount</i>	<i>Number</i>	<i>Amount</i>	<i>Number</i>	<i>Amount</i>
Two to Six Months	21	526,600	37	515,927	(16)	\$ 10,673	73	\$ 1,276,238	-52	\$ (749,638)
Six to Twelve Months	11	508,633	12	497,967	(1)	10,666	27	291,286	-16	217,347
Over Twelve Months	11	117,692	13	142,081	(2)	(24,389)	16	524,123	-5	(406,431)
Total Delinquency	43	\$ 1,152,925	62	\$ 1,155,975	(19)	\$ (3,050)	116	\$ 2,091,647	-73	\$ (938,722)
Ratios	<i>Percent</i>		<i>Percent</i>		<i>Percent</i>		<i>Percent</i>		<i>Percent</i>	
Loans/Deposits	56.33%		56.05%		0.28%		68.25%		-11.93%	
Efficiency Ratio (YTD expenses/income)	84.74%		83.25%		1.49%		73.44%		11.30%	
Delinquent Loans/Loans	1.64%		1.64%		0.01%		2.56%		-0.91%	
Net Interest Margin	3.10%		3.56%		-0.45%		3.91%		-0.81%	
Capital Ratio	6.95%		7.07%		-0.12%		7.49%		-0.55%	
Return on Average Assets (YTD)	-0.64%		-0.37%		-0.27%		1.59%		-2.23%	
Other Information	<i>Number</i>		<i>Number</i>		<i>Number</i>		<i>Number</i>		<i>Number</i>	
Primary Accounts	13,971		14,030		(59)		14,483		(512)	
New Primary Accounts	88		112		(24)		76		12	

TUCSON OLD PUEBLO CREDIT UNION - INVESTMENT ANALYSIS

Investment Description	Market Value	Weighted Avg Rate	Book Value	weighting factors to calculate overall weighted interest rate	Non SFAS 115 Inv.
Short Term Investments (1 year or less)					
Firstcorp Certificates					
QwickRateCDs	\$ 2,337,000	1.57%	2,337,000	36,600	2,337,000
Long Term Certificates (greater than 1 year)					
QwickRate CDs 3 yrs or less	\$ 1,545,000	1.95%	1,545,000	30,094	1,545,000
QwickRate CDs over 3 years	7,153,000	1.98%	7,153,000	141,572	7,153,000
Federal Agency Securities (greater than 1 year)					
FHLB, FNMA, FHLMC, FFCB	\$ 22,028,390	1.08%	22,000,000	238,260	22,000,000
Mortgage Backed Securities (MBS)	\$ 12,863,477	3.79%	12,022,016	455,995	12,022,016
FirstCorp Perm. Inv. Capital	\$ 709,026	0.25%	\$ 709,026	\$ 1,773	\$ 709,026
Unamortized Premium & (Discount)	-		-		-
MBS PREM/DISC	771,759		771,759		-
Total Earning Investments	\$ 47,407,651	1.94%	\$ 46,537,801	\$ 904,293	771,759
Securities committed that settle next month	-		-		46,537,801
Total Investments	\$ 47,407,651		\$ 46,537,801		