

DATA DISPATCH

Credit union mergers poised to pick up after temporary dip in 2025

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Market Intelligence

Credit union merger activity is down sharply this year from a surge in 2024, but industry experts predict the slowdown is just a lull before a renewed wave of consolidation.

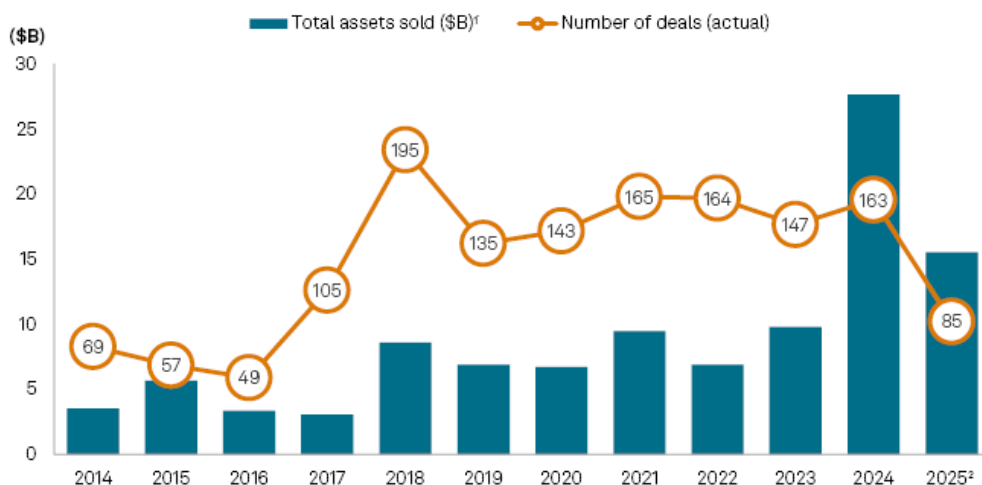
Credit unions announced 85 tie-ups in the year through Aug. 25, with 72 of those occurring in the first half. In comparison, 121 deals were announced between Jan. 1, 2024, and Sept. 30, 2024, including 75 in the first half of the year, according to S&P Global Market Intelligence data. Overall, 163 deals were announced in 2024 and 147 in 2023.

Credit union M&A has lagged banks' [activity](#) as well, with 114 bank deals announced in the year through Aug. 31.

While bank M&A has hit the accelerator due to "pent-up demand" and favorable market winds, the credit union sector had to navigate a difficult [regulatory environment](#) after a wave of retirements at its federal regulator early in the year which "did slow things down a bit," Charley McQueen, president and CEO of McQueen Financial Advisors, said in an interview.

"[The National Credit Union Association] was hit with a whole bunch of retirements through the early buyout program. And they've been working hard to elevate the next level of people," McQueen said. "A lot of the transactions have been slowed down because of regulatory backlog. Now the good news is it's starting to go faster. It's breaking free."

US credit union mergers since 2014



Data compiled Aug. 26, 2025.

Analysis limited to whole-company and franchise deals between US credit unions announced from Jan. 1, 2014, to Aug. 25, 2025. Excludes branch and terminated deals.

¹ Total assets for the merging credit unions are as of the most recent quarter prior to the deal announcement date.² Year to date through Aug. 25, 2025.

Data is collected on a best-efforts basis.

Source: S&P Global Market Intelligence.

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Despite fewer deals, total target assets in 2025 remain higher than in most previous years, except for 2024. Last year was particularly strong, with \$27.65 billion in assets sold through 163 credit union mergers. So far in 2025, credit union mergers have involved \$15.52 billion in assets sold, compared to \$22.59 billion in the first nine months of 2024.

Among deals announced since 2014, [California Coast CU's merger](#) with in-state peer [San Diego County CU](#), announced April 10, marks the second-largest marriage between two credit unions in terms of the merging organization's assets. The combined entity will have assets worth approximately \$13.5 billion.

San Jose, California-based [First Technology FCU](#)'s pending [merger](#) with Marlborough, Massachusetts-based [Digital FCU](#) remains the [largest](#) credit union merger announced since 2014, based on the assets of the merging organization.

As credit unions feel the squeeze of increased costs, largely related to technology, many are looking to mergers as a way to combine their income bases and cut costs. This has led to an uptick in larger credit union mergers.

"I've been saying for 10 years, you're going to see mergers increase and you're also going to see big institutions merge with other big institutions," said Pete Duffy, head of merger advisory engagements with financial institutions at SRM, in an interview. "Over the last three or four years, there's been a noteworthy increase in large credit unions merging with other large credit unions. We haven't seen mergers accelerate overall, but I believe that's going to start happening as well. And what's driving it ... is this increased awareness of the need for scale."

Largest US credit union mergers since 2014

Ranked by total assets of merging credit union				Total assets (\$B) ¹	
Continuing CU	Merging CU	City, state of merging CU	Announcement date	Merging CU	Continuing CU
● First Technology FCU	Digital FCU	Marlborough, MA	09/30/24	11.97	16.74
● California Coast CU	San Diego County CU	San Diego, CA	04/10/25	9.31	3.42
● State Employees FCU ²	Capital Communications FCU	Albany, NY	07/29/21	2.61	5.34
● First Carolina Corporate CU ³	Mid-Atlantic Corporate FCU	Middletown, PA	09/14/15	2.36	1.25
● SchoolsFirst FCU	Schools Financial CU	Sacramento, CA	01/22/19	1.99	15.21
● Premier Members CU	Meritrust FCU	Wichita, KS	10/10/24	1.97	1.75
● Rivermark Community CU	Advantis CU	Oregon City, OR	01/18/24	1.95	1.45
● TwinStar CU	Northwest Community CU	Eugene, OR	03/13/23	1.81	2.25
● SPIRE CU ⁴	Hiway CU	Saint Paul, MN	07/31/23	1.75	2.19
● Virginia CU Inc. ⁵	Member One FCU	Roanoke, VA	01/11/24	1.69	5.32
● TruStone Financial CU	Firefly FCU	Burnsville, MN	05/04/20	1.43	1.58
● Gesa CU	Inspirus CU	Tukwila, WA	12/05/18	1.32	2.01
● California CU	North Island CU	San Diego, CA	04/30/16	1.24	1.53
● Teachers FCU	Melrose CU	Briarwood, NY	08/31/18	1.12	6.07
● New England FCU ⁶	Vermont State Employees CU	Montpelier, VT	02/23/22	1.09	1.95
● Merrimack Valley CU ⁷	RTN FCU	Waltham, MA	02/01/23	1.03	1.35

Deal status ● Pending ● Completed ● In-state deal

Data compiled Aug. 26, 2025.

Analysis limited to whole-company deals between US credit unions announced from Jan. 1, 2014, to Aug. 25, 2025, with total assets of the merging credit union greater than \$1 billion. Excludes branch and terminated deals.

¹ Total assets are as of the most recent quarter prior to the deal announcement date.

² The combined entity is now named Broadview FCU.

³ The combined entity is now named Vizo Financial Corporate CU.

⁴ The combined entity is now named Blaze CU.

⁵ The combined entity is now named Virginia FCU.

⁶ The combined entity is now named EastRise FCU.

⁷ The combined entity is now named BrightBridge CU.

Company titles are shown as of the deal announcement.

Data is collected on a best-efforts basis.

Source: S&P Global Market Intelligence.

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For credit unions, the primary driver is not deal appetite in the traditional banking sense, but a strategic imperative, according to Duffy.

The business of taking deposits and making loans is no longer profitable for many small institutions, with technology empowering consumers to find the best price instantly. With less profit from their core business, credit unions cannot afford to invest in the technology needed to stay relevant, which leads to slower growth, Duffy said.

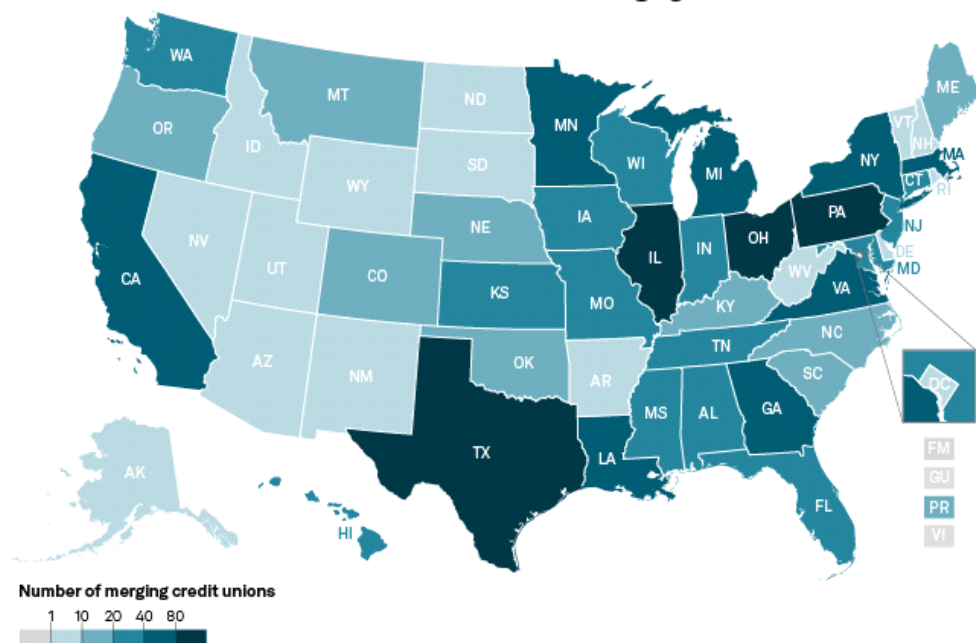
Without significant scale, some credit unions are struggling to have their net interest income cover their noninterest expenses. This profitability crunch is the fundamental force pushing larger players to combine, Duffy said.

"So you not only have the need for scale, but you've also got the institutions with scale now using their scale to get more deposits and get more loans, which is having an erosion effect on the rest of the banks and credit unions," Duffy said. "All of these things are accelerating. They're not slowing down. And that's why I think we're going to see an increase in mergers and a continued increase in large institutions merging with each other."

Leadership fatigue, impending retirements and a lack of prepared successors are prompting many credit unions, particularly smaller ones, to pursue mergers, McQueen said.

"We're seeing people approaching the retirement age, and not enough work has been done to build a sustainable C-suite below the top couple of people. And so we're going to continue to see mergers because of that," McQueen said. "I think it will be strong, very strong for the remainder of this year."

US states and territories with the most number of merging credit unions since 2014



Data compiled Aug. 26, 2025.

Analysis limited to whole-company and franchise deals between US credit unions announced from Jan. 1, 2014, to Aug. 25, 2025.

Excludes branch and terminated deals.

Data shown is based on merging credit union's headquarters.

Data is collected on a best-efforts basis.

Source: S&P Global Market Intelligence.

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Since 2014, Pennsylvania has seen the highest number of credit union mergers, with 120 institutions engaging in mergers between Jan. 1, 2014, and Aug. 25, 2025. Pittsburgh-based [American Heritage FCU](#) has been the most active credit union in the state in terms of mergers, adding \$167.1 million in assets through 10 deals since 2014.

With \$29.99 billion in total assets as of June 30, [Pentagon FCU](#) is the largest continuing credit union among deals announced since 2014. The Tysons, Virginia-based credit union added \$2.64 billion in assets through 20 deals.

US credit unions with the most number of CU mergers since 2014

Listed by number of mergers and then by total assets added

Continuing CU	City, state	Total assets, June 30, 2025 (\$B)	Number of mergers (actual)	Total assets added (\$M) ¹
Pentagon FCU	Tysons, VA	29.99	20	2,644.9
CU 1	Lombard, IL	1.95	18	1,182.5
American Heritage FCU	Philadelphia, PA	5.15	10	167.1
Blaze CU ²	Falcon Heights, MN	4.47	9	2,053.1
CU of Southern California	Anaheim, CA	3.51	9	1,025.6
Hawaiian Financial FCU ³	Honolulu, HI	0.99	9	199.6
America's First Network CU	East Hartford, CT	0.10	9	65.3
NuVision FCU	Huntington Beach, CA	3.86	8	1,428.4
Pathways Financial CU Inc.	Columbus, OH	0.75	8	279.4
Self-Help CU	Durham, NC	2.09	8	244.2
Arrowhead FCU	Rancho Cucamonga, CA	2.58	8	187.9
Peach State FCU	Lawrenceville, GA	1.09	7	222.1
Superior CU Inc.	Lima, OH	1.78	7	201.3
Aloha Pacific FCU	Honolulu, HI	1.42	7	156.9
Pelican State CU	Baton Rouge, LA	0.81	7	97.5
Consumers CU	Lake Forest, IL	4.30	6	1,582.0
University of Illinois Community CU	Champaign, IL	0.70	6	131.4
TruMark Financial CU	Fort Washington, PA	3.46	6	115.9
Georgia's Own CU	Atlanta, GA	4.29	5	557.2
Self-Help FCU	Modesto, CA	2.28	5	446.1
Great Lakes CU	Bannockburn, IL	1.46	5	355.9
Neighborhood CU	Dallas, TX	1.13	5	338.7
Community Choice CU	Farmington Hills, MI	1.94	5	282.6
Educators CU	Mount Pleasant, WI	3.63	5	269.9
CommunityAmerica CU	Lenexa, KS	5.38	5	264.7
Clearview FCU	Moon Township, PA	2.15	5	234.7
Ignite CU ⁴	Battle Creek, MI	0.37	5	200.9
Navigant CU	Smithfield, RI	3.98	5	182.7
Bridge CU	Powell, OH	0.24	5	136.3
South Carolina FCU	North Charleston, SC	2.51	5	114.6
Vibrant CU	Moline, IL	1.15	5	105.1
Texas Tech FCU	Lubbock, TX	0.42	5	69.1
Century Heritage FCU	Pittsburgh, PA	0.29	5	68.5
Hope FCU	Jackson, MS	0.74	5	57.1
Consumers FCU	Brooklyn, NY	0.10	5	5.6

Data compiled Aug. 26, 2025.

Analysis limited to surviving credit unions with at least five whole-company and franchise US credit union deals announced from Jan. 1, 2014, to Aug. 25, 2025. Excludes branch and terminated deals.

¹ Total assets for the merging credit unions are as of the most recent quarter prior to the deal announcement date.

² Blaze CU was formerly known as SPIRE CU.

³ Hawaiian Financial FCU was formerly known as Hawaiian Tel FCU.

⁴ Ignite CU was formerly known as BlueOx CU.

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Source: S&P Global Market Intelligence.

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