

Quarterly Report

JULY - SEPTEMBER 2022

Hope 
credit union
enterprise corporation
policy institute



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Dear Friends,

This fall, Hope Credit Union pledged to make \$1 billion in financing available to support underbanked families, homebuyers, small businesses, community facilities and otherwise create opportunity across the Deep South. This pledge was made possible with a \$92.6 million capital injection by the Treasury Department's Emergency Capital Investment Program. Every dollar of this regulatory capital enables HOPE to import up to \$10 of deposits that will be used to build opportunity ladders in capital-starved communities.

These resources will help us serve more people like Willie Dixon. After walking to work his entire life, at age 54, Mr. Dixon purchased his first vehicle with a loan from HOPE. He's now working with HOPE to purchase his first home. They also position us to support anchor institutions like the Alabama Aerospace & Aviation High School, a Black-led public charter school working to increase the pipeline of diverse pilots.

Increasing our impact fortifies our ability to advocate on behalf of those we serve. This was on display in August when we spent the day with the U.S. Secretary of Housing & Urban Development, in discussions about ways that banks, faith-based leaders and Historically Black Colleges and Universities could improve housing conditions and expand homeownership. Similarly, lessons gleaned from places like the Delta and Black Belt provide me with a unique wealth of data that will inform my service on the inaugural Treasury Advisory Committee on Racial Equity.

As we position HOPE for the future, my colleagues and I are clear that there are thousands of Mr. Dixons living in the Deep South, who only need equitable access to affordable financial tools in order to succeed. Today, HOPE is better positioned than ever to provide these tools. We invite you to join in this important work as a program partner, policy advocate, or [Transformational Depositor](#).

Thank you for your ongoing commitment and support.

In partnership,

A handwritten signature in black ink that reads "Bill Bynum". The signature is written in a cursive style and is followed by a long horizontal line that extends to the right.

Bill Bynum, CEO, HOPE

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Flying High

This fall, the Alabama Aerospace & Aviation High School opened its doors and welcomed its inaugural class. Located in Bessemer, Alabama, the public charter school provides a hands-on college preparatory curriculum with an emphasis on career pathways into the aerospace and aviation industry. When looking for a financial partner to fund the outfitting of this unique school, they turned to HOPE because of its funding partnership with the US Department of Education and the credit union's long track record in financing charter schools in the Deep

South. Beyond the classroom, the school offers internships, apprenticeships and training opportunities with Delta Airlines and the Bessemer Airport Authority. Long term, the majority Black school seeks to diversify the pipeline of pilots in a field where workforce shortages are common. "With this new high school, we are inspiring students to soar and giving them the wings to do it," says Ruben Morris, Director of the Alabama Aerospace and Aviation High School.



Clearing the Path to a Dream Home

Debbie Jones's homeownership journey was fraught with frustration and heartache. As a single Black woman caring for both her daughter and her mother, she encountered numerous obstacles from unscrupulous realtors who repeatedly engaged in practices to block her purchase. After months of looking and disappointment, she finally found her "Dream Home in Pearl, Mississippi," and applied for financing to the stage to make an offer. Unfortunately, her mortgage application was denied by the bank. Ready to give up,

Ms. Jones shared her experience with her brothers, both in the ministry encouraged her to reach out to HOPE. Thankfully, the house was still on the market. HOPE's team worked with Ms. Jones every step of the way. After only 30 days, Ms. Jones became a homeowner with HOPE. Today she enjoys watching her grandchildren play in the yard and her garden. When asked to reflect on her road to homeownership, Ms. Jones shared, "HOPE is for us and run by us."



Planting Seeds for Financial Growth

Marc Middlebrooks worked for the Shelby County school system as a teacher's assistant. While the job was steady, he recognized he needed additional income to provide for his children. Tapping into his entrepreneurial spirit, he opened a lawn care and landscaping business. One of his first steps included seeking out a partner in a financial institution for a business account and a small business loan. When he approached another financial institution for working capital, the process was not clear and loan officers were not helpful in

providing guidance for pulling his application together – ultimately leading to the denial of his loan. He went to HOPE and found friendly service and a team committed to his success. They informed him of all the items needed and guided him throughout the entire process. Determined not to give up, Middlebrooks turned to HOPE for assistance. "I felt comfortable with HOPE because they are the ones that gave me the opportunity to actually get a business account." At HOPE, the loan officer walked him through the process, and he opened his business account on the very same day. Middlebrooks also received a small business loan from HOPE and purchased a trailer and lawn equipment. Middlebrooks continues to expand his lawn care business and serve those in his community. "HOPE was an excellent choice for me to grow my business."



Grounds for Success

Courtney Tobias found herself in need of capital for her start-up, Lunchroom Coffee, an organic fresh-roasted coffee distributor in Louisiana. Unfortunately, like too many women and business owners of color, she met resistance from traditional financial institutions that failed to see her vision and repeatedly turned down her loan requests. Ready to give up, she said, "I determined that I was done with lending institutions because they weren't structured for people like me." Fortunately, she did not give up and she turned to HOPE. HOPE provided a \$10,000 loan through

its Power of HOPE program, a low-interest loan structured to support entrepreneurs affected by the pandemic. Today, her product is sold in 13 retail outlets in Louisiana and she maintains a robust online presence. She's also looking ahead to expanding through the purchase of a trailer and ultimately the construction of her own manufacturing facility.



Discovering New Possibilities

For years, Willie Dixon has either walked or ridden public transportation to and from work. At the age of 54, Dixon never owned a vehicle. He first learned about HOPE through a presentation at his church by the Black Clergy Collaboration of Memphis (BCCM), a partner of HOPE. A HOPE Financial Inclusion Officer spoke to the congregation about how HOPE supports and provides access to financial services to underserved communities. Dixon was inspired and found the confidence to apply for an auto loan. He was hesitant at

first since he did not have any credit established. Dixon was a firm believer in using cash to purchase everything. HOPE was able to assist Dixon with the loan process, and as a result, he bought his very first vehicle. He is grateful to the HOPE team for helping make it all possible. Now he is working on establishing credit to prepare to purchase a home.

Impact 2022 Year-to-Date



Homeownership

106 Mortgage loans Closed



People of Color



Women



First-Time Homebuyer

Mortgage Characteristics



Small Business & Community Economic Development

114 Business and CED loans closed



Business Loans and CED in Economically Distressed Areas*



Consumer & Retail Services

2,044 Consumer Loans Closed

109,323 Individuals Served in HOPE Member Households



Consumer Loans in Economically Distressed Areas

* Loans in Economically Distressed Areas are those made to people who live in a census tract with a poverty rate over 20% or a Median Family Income below 80% of the Area Median Income.



HOPE Pledges \$1 Billion to Improve Lives in Underserved Deep South Communities

In September, Hope Credit Union (HOPE), the nation's leading Black- and women-owned community development financial institution, announced plans to provide \$1 billion in financing to improve lives and close the racial and gender opportunity gaps in Alabama, Arkansas, Louisiana, Mississippi and Tennessee. HOPE projects that the investment will benefit more than 150,000 people over the next 10 years.

To read the full announcement, click [here](#).



U.S. Secretary of Housing & Urban Development Visits Jackson, Mississippi

In August, HOPE coordinated a visit to Jackson by the U.S. Secretary of Housing & Urban Development. While in Jackson, the Secretary and Congressman Thompson hosted three roundtables. The first roundtable focused on the needs of Historically Black Colleges & Universities. A second engaged faith leaders around the affordable housing and community development needs facing their communities. HOPE co-hosted a third roundtable with the executive leadership of a number of Bank Community Development Financial Institutions (CDFIs). During the meeting, Secretary Fudge

pressed CDFI Bank leaders to identify ways in which their institutions could increase mortgage lending to borrowers of color – particularly in light of the federal investment received by the institutions attending the event.



HOPE Appointed to Treasury Advisory Committee on Racial Equity

WASHINGTON – In conjunction with the annual Freedman's Bank Forum, U.S. Secretary of the Treasury Janet L. Yellen, announced the inaugural members of the Treasury Advisory Committee on Racial Equity. The first-of-its-kind committee will provide advice and recommendations to Secretary Yellen and Deputy Secretary Wally Adeyemo on efforts to advance racial equity in the economy and address acute disparities for communities of color. HOPE CEO Bill Bynum was appointed to the Committee. Reflecting on his appointment to service, Bynum shared, "As America becomes more diverse,

making racial equity a priority in policy decisions serves the nation's collective interest and makes the economy more resilient. Secretary Yellen and the Biden-Harris administration are to be commended for taking this historic step. I look forward to bringing voices from the Deep South to this important work."

To read the full article, click [here](#).

*Make Your
Transformational Deposit
Today!*

Visit us at <https://product.hopecu.org/transform> or contact our Investor Relations Department at **877-654-4673 (HOPE)** for assistance with making a Transformational Deposit.

