

# Quarterly Report

OCTOBER - DECEMBER 2023

Hope   
credit union  
enterprise corporation  
policy institute



## IN THIS ISSUE

Financing Flavor, 1

Healthcare Reimagined  
and Revived, 3

Breaking Ground for  
Northside Square  
Redevelopment, 5

Enjoy Wings  
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FLAV  
• MILD  
• HOT  
• LEMO

Black History is American's History. And it's HOPE's History.

As we reflect on HOPE's 30 years, particularly so during the month set aside for lifting up the myriad contributions of Black people to the American story, it is hard not to acknowledge the Black History embedded in HOPE's origins. Some are familiar with our beginnings. HOPE began as Enterprise Corporation of the Delta, with a mission of improving lives in the Delta area of Arkansas, Louisiana, and Mississippi, a region synonymous with America's struggle with race, poverty, and opportunity.

In 1995, Hope Credit Union was organized by members of Anderson United Methodist Church to combat the proliferation of predatory lenders that undermined the stability of the neighborhood surrounding the church and the economic potential of its residents. Later, Amos Network, One Hundred Concerned Clergy, and the Jackson Ministerial Alliance were among several local faith-based organizations that became sponsors of the credit union. In 2002, the Enterprise Corporation of the Delta and Hope Credit Union formally joined forces to put in place the structure that has become HOPE.

Less is known about the rich legacy associated with several Black-owned credit unions that HOPE now carries forward. In 1968, Woodrow Keown organized the College Station Community Federal Credit Union to ensure access to basic financial services for residents of this small hamlet, underserved by financial institutions in nearby Little Rock. In 2008, the credit union merged with HOPE. An enduring monument to Mr. Keown's legacy, a member of the Co-operative Hall of Fame, is the College Station facility that bears his name, where HOPE continues to serve area residents.

Subjected to unscrupulous financing for equipment and inventory, in the late 1970s, a group of timber workers, supported by the United Woodcutters Association, organized the East Central Federal Credit Union. Today, HOPE's Louisville branch still serves the families and neighbors of those timber workers, continuing a long history of fighting for fair treatment of Black and white workers in the Pine Belt.

In 2017, HOPE entered Alabama through a merger with Tri-County Credit Union, successor to Montgomery Teachers Credit Union, formed in 1950 to serve Black educators in the state's capital city.

In January this year, HOPE merged with New Pilgrim Credit Union, organized by church members in 1963 to provide access to financial services for residents facing racial discrimination and violence in Birmingham.

Building on the combined centuries of trials and triumphs represented in these partnerships, today, HOPE has the privilege, and responsibility of continuing the work of those who paved the way for our ongoing efforts to balance the scales of economic and social justice throughout the Deep South.

The need for a financial institution dedicated to improving the financial health and wealth of under-resourced people and communities in the Deep South, and treating them with dignity, is greater than ever.

Thankfully, these people and places have friends like you to help HOPE advance the collective interest of all of us – an economy that works for all. Thank you for your support of HOPE. Thank you for being a part of history.

In solidarity,

A handwritten signature in black ink that reads "Bill Bynum". The signature is written in a cursive style with a long, horizontal flourish extending to the right.

Bill Bynum, CEO, HOPE

# *In This Issue*

## **HOPE Stories**

<i>Rooted in Avondale, Louisiana</i> .....	1
<i>Financing Flavor</i> .....	1
<i>Delivering Exceptional Hospitality</i> .....	2
<i>In Time for the Holidays</i> .....	2
<i>Healthcare Reimagined and Revived</i> .....	3

<b>HOPE Impact</b> .....	4
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## **HOPE Updates**

<i>Community Breaks Ground on Northside Square Redevelopment</i> .....	5
<i>Supplier Diversity Pilot Concludes a Success</i> .....	5
<i>Affordable Housing Breakthrough Challenge</i> .....	5





## Rooted in Avondale, Louisiana

Located on the west bank of the Mississippi River and the outskirts of Greater New Orleans, Avondale, Louisiana, is a small city with a lot to offer. Avondale has been home to Don Francois for nearly 60 years; it's where his family settled and where he continues to call home. "I've lived in our family house since I was five years old. It holds so many memories," said Francois. When he wanted to refinance his family home, his brother told him about Hope Credit Union after connecting with a HOPE associate at an open house event. Francois knew this was the right move,

choosing Hope Credit Union for his loan. He received \$80,000 from HOPE through the Affordable Housing Program. "I'm thankful for the people at HOPE who helped me during this process," said Francois. He enjoys hosting gatherings and barbecues with friends and family. "I want our family to continue to thrive in the house for generations to come," said Francois.



## Financing Flavor

In the heart of the historic Tremé neighborhood, Baby's Snack Box stands as a testament to resilience and flavor. Since 2011, the business has been serving up a delightful mix of snowballs, ice cream, nachos, and burgers, earning the title of a one-stop shop with the tagline, "Baby's Snack Box - It's what's for lunch."

Owners Ron and Antoinette Davalos began operating in 2011 and purchased a building in 2020. The century-old building, with its unique historical facade, has become a Mardi Gras haven, perfect for catching the Zulu parade.

"Hope Credit Union played a pivotal role in our journey, understanding our needs and crafting a commercial loan package that suited us," said Ron Davalos.

The funds from the HOPE loan were instrumental in purchasing the building, marking a significant milestone for Baby's Snack Box. In fact, the success was such that the owner expanded, acquiring a second business managing rental property through HOPE's commercial lending services.

Beyond financial support, Davalos states, "It's a great relief knowing there's a financial institution of this caliber making a conscious effort to serve the underserved."



### Delivering Exceptional Hospitality

Vivek Patel owns Stay Inn & Suites hotel, a family-owned and run business in Montgomery, Alabama. With over twenty-five years of experience in the hotel and hospitality industry, he aims to deliver high-quality service and comfort to his guests. “I’ve been doing this for a long time, and I know how important it is to provide excellent service...it keeps us in business,” says Patel. Along with his wife, Asha, Patel oversees the hotel’s daily operations. Patel went to his local bank for financing when he wanted to expand and upgrade the hotel to ensure it exceeded guests’ standards. His loan application, however,

was turned down. A family member recommended he try a credit union to apply for a loan. “I was drawn to the institution’s name, HOPE... since it translated to Asha, my wife’s name, and decided to give HOPE a try,” says Patel. HOPE provided \$2.4 million in financing for improvements. “Hope Credit Union has been a blessing for me and my family,” says Patel. Since receiving funding from HOPE, Patel has made improvements to the hotel and is looking forward to a prosperous future.



### In Time for the Holidays

Akia’s struggles deepened as her old truck spiraled into a series of breakdowns, depleting her finances and leaving her without reliable transportation in December of 2023. Faced with limited options, Akia turned to Google in search of pre-approved cars, discovering Dependable Auto Sales and embarking on a path to a new beginning.

A reassuring call from a salesperson affirmed that they had various loan options, even if her current bank didn’t work out. Unfortunately, her loan applications were not approved as the lenders cited her holding multiple jobs. HOPE looked beyond the issue raised by other

lenders and focused on her history of paying bills. “I’ve been with four kids and no car for a week, and it’s about to be Christmas,” Akia expressed, emphasizing the urgency of her situation.

Just in time for the holiday, the call came—Akia was approved for an auto loan from HOPE. She seized the opportunity to purchase a used truck for her family, expressing gratitude to HOPE for going the extra mile to understand her unique situation.



### Healthcare Reimagined and Revived

Quitman County Medical Center in Marks, Mississippi is vital for many residents. Facing financial constraints in a majority Black county that grapples with high poverty rates and outmigration, the hospital closed in the fall of 2016. Local leaders, however, saw an opportunity and organized around a strategy to reopen the hospital. Central to the approach included attaining the Critical Access Hospital (CAH) designation. The designation was a game-changer, guaranteeing Medicare and Medicaid

payments at a rate of 101%, crucial for sustaining healthcare services in Quitman County. HOPE provided \$2.4 million in financing to support the acquisition and renovation of the hospital. The hospital's reopening restored essential healthcare services and provided employment opportunities. Beyond the renovation of the facility, the loan proceeds were used to purchase state-of-the-art medical equipment, underscoring a commitment to delivering top-notch care to patients in Quitman County and the broader region.

# Impact 2023 Year-to-Date



## Homeownership

**125** Mortgage Loans Closed

## Mortgage Characteristics



People of Color



Women



First-Time Homebuyer



## Small Business & Community Economic Development

**155** Business and CED Loans Closed

**Business Loans and CED** in Economically Distressed Areas\*



## Consumer & Retail Services

**3,755** Consumer Loans Closed

**Consumer Loans** in Economically Distressed Areas

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**119,580** Individuals Served in HOPE Member Households



\* 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.





## Community Breaks Ground on Northside Square Redevelopment

In December, HOPE joined leaders from across the city of Memphis in a groundbreaking ceremony for Northside Square. Led by the development team of CompCap Partners and the Works, the project will breathe new life into a high school building, shuttered since 2016. Once completed, the \$78 million project will repurpose the building with 42 affordable housing units, a gymnasium, a performing arts center, a workforce training center and a coffee house. HOPE invested \$7 million

into the project with its New Markets Tax Credit allocation. At the press conference, HOPE Senior Vice President & Commercial Credit Officer Danielle Ware shared "It is important that we take this moment to recognize that NMTC investments should be directed towards projects that make the most difference in people's lives. This is what HOPE has always done with its NMTC allocations and that is certainly the case with Northside Square."

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## Supplier Diversity Pilot Concludes a Success

Twenty entrepreneurs recently graduated from HOPE's Supplier Diversity Pilot Program based in Jackson, MS and New Orleans, LA. The Pilot Program provided technical assistance and training to position the businesses to successfully compete for contracting opportunities. Simultaneously, the pilot also brought three Historically Black Colleges and Universities and the local governments together to learn about, develop, and implement more inclusive procurement policies and practices. With the pilot completed, attention will now turn to the development and

dissemination of a strategy guide for both small business owners and institutions to amplify the lessons learned from the endeavor.

Louisiana graduates are also on tap to participate in follow-up workshops to deepen their bonding capacity and access to capital to secure contracts associated with federal transportation funding in the state.

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## Affordable Housing Breakthrough Challenge

In Mississippi and Alabama, over 5,000 households that rent, 75% of which are Black, are at risk of eviction due to the sunset of federal affordable housing requirements associated with the Low Income Housing Tax Credit Program. In response, HOPE envisioned a program to transition the renters to homeownership through the creative use of down payment assistance, 100% financing, and loan loss reserves. The innovation caught the attention of Enterprise Community Partners, which selected HOPE as one of six organizations nationwide for the [Housing Affordability Breakthrough](#)

[Challenge](#). With the selection, HOPE joins a cohort of organizations that receive both grant funding and technical support to launch the project. Partners in the project will include HBCU students from Mississippi Valley State University and Delta Design Build to retrofit the homes with energy-efficient upgrades.



# *Make Your Transformational Deposit Today!*

Visit us at [www.hopecu.org/transform](http://www.hopecu.org/transform) or contact our Investor Relations Department at **877-654-4673 (HOPE)** for assistance with making a Transformational Deposit.

