



Quarterly Report

APR. - JUNE 2017

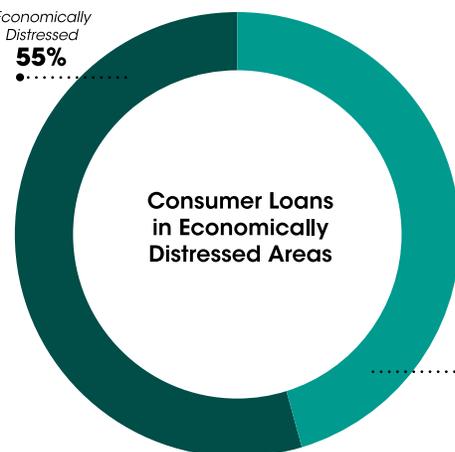


Food Truck to Financial Training

Kitchen on Wheels is no ordinary food truck. Aaron and Berinda Eugene serve everyone from corporate workers to college students with their restaurant on wheels. The truck is also a training ground for youth with whom the couple works in their ministry. HOPE partners with them on both endeavors. The Eugenes opened their HOPE business account after spotting our branch in the University of Arkansas Pine Bluff facility where they were completing a small business program. Aaron says HOPE associates put members' needs first, and that thread of customer service is woven into what's become a partnership that educates youth about financial well-being. HOPE conducts financial workshops for the teens. "We chose HOPE as a financial partner," Aaron says. "We see HOPE as a community partner."

In the 2nd Quarter of 2017,
32%
 of HOPE's consumer loans were
 credit-builder loans & payday
 loan alternatives.

Economically
 Distressed
55%



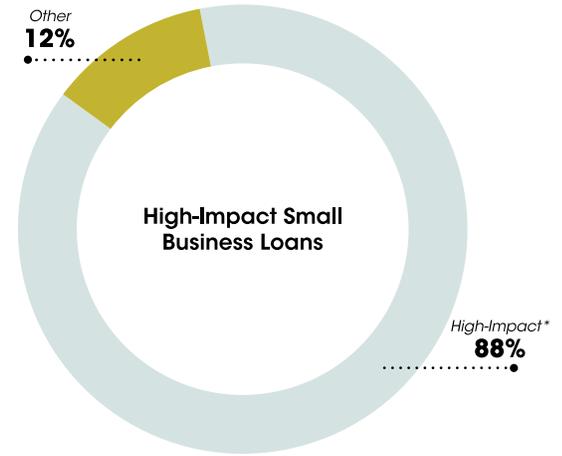
**Consumer Loans
 in Economically
 Distressed Areas**

Other
45%



A Business that Heals

Gulf Coast Veterinary Emergency Hospital not only heals the animals under its care, it helps its employees navigate financial ailments. Owner Dr. Jennifer Sutton was introduced to Goldman Sachs 10,000 Small Businesses Program (10KSB) that provides growing businesses with access to education, capital and support services. HOPE is the 10KSB lending partner for the Mid South region. In addition to financing for her hospital, Jennifer also relies on HOPE to provide financial services for her staff. "HOPE offers credit counseling services and budgeting information. My employees had financial obstacles. I wanted to help them," Jennifer says. She credits the 10KSB Program for helping her to open a second location and 20 percent growth in business.



*Loans made in Economically Distressed areas.

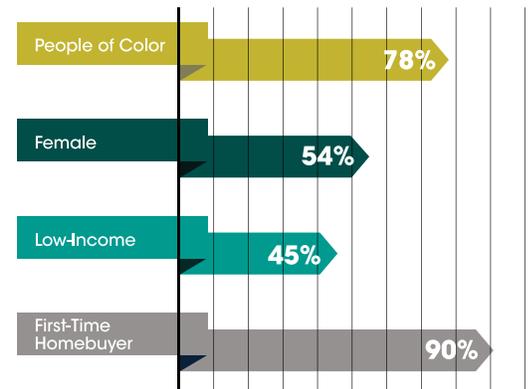
From 1994 through
2nd Quarter of 2017, HOPE made
1,013
business loans totaling
\$421.6 Million



A Family Home

The first time Krystal Scott saw the two-story house in the cul-de-sac, she knew it was the place she wanted to raise her sons. But she ran into obstacles whenever she applied for a loan at a bank or mortgage company. "They gave me all kinds of trials and tribulations," says Scott, a store manager. "I had been fighting for this home for a year. The reason I wanted it so badly was that it was a small replica of the house where my mother raised me and my brothers." Scott was convinced her credit wasn't good enough to get a home loan – until her listing agent eventually referred her to HOPE, where staff worked with her to secure the financing. Within weeks, Scott and her sons – Leroy and Landon – had moved into their new home.

Mortgage Loan Borrower Characteristics



In the 2nd Quarter of 2017,
100%
of HOPE's new mortgage loans
were high-impact loans.
*These are to minorities, female, low-income
home buyers and first-time home buyers.*



A Second Chance

Nobody would make a loan to James Knauss for his new lawn business after he was released from prison. Nobody, but HOPE. James discovered HOPE through Economic Opportunity, a skills training program for formerly incarcerated people. "I'm an ex-felon. I had a lot of issues when I graduated from the program. I couldn't get my driver's license because I owed fines," says James, who applied and was approved for a HOPE Borrow and Save Loan. James used the money to open a savings account and pay his debts. He eventually started his own landscaping business, and used another loan from HOPE to purchase equipment. James attributes his "opportunity for a second chance" to Economic Opportunities and HOPE.



Mergers Extend HOPE's Impact in New Orleans and Eastern Mississippi

Hope Credit Union has merged with Michoud Credit Union in Louisiana and B&W Mississippi Employees Federal Credit Union in Mississippi after both requested to join HOPE. The member-owners of both credit unions voted overwhelmingly to approve the mergers, which will make additional financial products and services available to existing members, and reach more underserved people in their communities. Headquartered at a NASA assembly facility, Michoud Credit Union has served employees, contractors and their families there for 35 years. B&W began operation in 1973 and primarily served manufacturing employees in the area. With the mergers, HOPE now has three locations in eastern Mississippi, and four in the greater New Orleans area.



HOPE Provides Testimony to Congress Supporting Consumer Protections

In written testimony to the House Financial Services Subcommittee on Financial Institutions and Consumer Credit, HOPE CEO Bill Bynum encouraged lawmakers to preserve the Consumer Financial Protection Bureau's enforcement and rulemaking authority with regard to deceptive lending practices. He also argued against weakening the Fair Housing Act's ability to address discrimination in housing lending. Bynum's testimony supported data collection provisions for mortgage and small business lenders to ensure similarly situated borrowers and underserved communities are receiving equitable access to mortgage and small business credit. Read the full testimony at <https://hopepolicy.org>.