

Crawfords Place



# Quarterly Report

OCT - DEC 2021

Dear Friends,

Since the onset of the pandemic, HOPE played a leading role in efforts to secure resources to assist financially fragile and historically underserved communities that were hit hardest by the ensuing economic crisis. These efforts resulted in \$27 billion for use by community development and minority lending institutions.

In December, during an event commemorating the founding of the Freedman's Bank, an institution created after the Civil War to provide former slaves with access to financial services, Vice President Kamala Harris highlighted HOPE's role when she and Treasury Secretary Janet Yellen announced investments totaling nearly \$9 billion in community development and minority depository institutions to support communities that have been disproportionately affected by the pandemic.

Few places need these resources, like the communities served by HOPE. Treasury's investment in HOPE affirms this and is a testament to a reservoir of trust, expertise, and alliances 27 years in the making and to the steadfast support of friends like you.

Every dollar of the \$88 million Treasury investment will support \$8-10 in deposits, which will position HOPE to dramatically expand our service to homebuyers, small businesses, underbanked families, and communities that lack access to the financial tools needed to prosper. To this end, if you are not a Hope Credit Union member, I invite you to join us today and urge you to consider making a Transformational Deposit. These resources will support people like Tellisha Crawford, highlighted in this report, whose auto loan enabled her to support her family.

Again, thank you for supporting HOPE and those we serve. We look forward to doing great things together in 2022.

With gratitude

A handwritten signature in black ink that reads "Bill Bynum". The signature is fluid and cursive, with a long horizontal line extending to the right from the end of the name.

Bill Bynum, CEO, HOPE

# *In this* **Issue**

## **HOPE Stories**

<i>Lending a Hand Where It Is Needed .....</i>	<b>1</b>
<i>Investing in Prosperity .....</i>	<b>1</b>

## **HOPE Impact** ..... **2**

## **HOPE Updates**

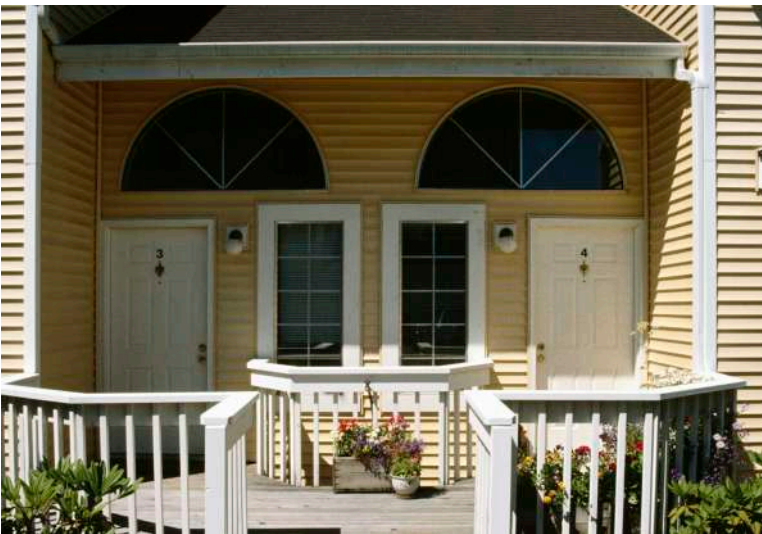
<i>Bynum Recognized with Prestigious Heinz Awards for the Economy .....</i>	<b>3</b>
<i>NIKE, CDFI Leaders Reflect on Company's Decision to Invest in Opportunity .....</i>	<b>3</b>
<i>HOPE Adds Depth to Board of Directors .....</i>	<b>4</b>
<i>Groundbreaking Investment Announced .....</i>	<b>4</b>
<i>New Report Highlights Racial Disparities in Arkansas Housing Market .....</i>	<b>5</b>
<i>Deep South Organizations Call on CFPB to Enact Strong Fair Lending Rules for Small Businesses .....</i>	<b>5</b>
<i>Netflix Launches Series on Closing the Racial Wealth Gap .....</i>	<b>5</b>



### Lending A Hand Where It is Needed

Tellisha Crawford, a recruiter for Goodwill, had always dreamt of owning a home. Crawford and her husband wanted to create a loving environment for their two adopted children. Mounting medical bills, other debts and a low credit score, however, prevented her from securing a mortgage. Then, she learned about Hope Credit Union through a success coach during orientation at Goodwill. With the introduction made, she approached HOPE's team in Biloxi, Mississippi. HOPE staff reassured Crawford that they would help no matter her situation. A close look at her finances showed that she could lower her monthly debt payments and boost her credit score by

refinancing her auto loan. After HOPE closed the loan, she found herself in a situation where she qualified for the mortgage and shared "I believe in giving a hand up and not a handout... HOPE lifts its members up."



### Investing in Prosperity

In 1994, HOPE made its first small business loan in Hughes, Arkansas. Fast forward to 2021 and HOPE continued to support investment in this Arkansas Delta town. Local resident Lincoln Barnett was looking to purchase an investment property to generate additional income. He found a duplex, however, he lacked a lender to finance the purchase of it. While Barnett had an established credit history, he did not have a relationship with another financial institution. His realtor suggested he reach out to Hope Credit Union. Barnett contacted the team in West Memphis where he found the loan process seamless. "The HOPE staff was accommodating in the loan process, and they explained everything as we went along." Barnett recently

welcomed his tenants home. After closing the mortgage loan, Barnett received numerous offers from other lenders in the mail but rejected them, insisting on banking with HOPE.

Impact Snapshot - 2021



Mortgage Loans Closed

**125** loans  
**\$16.7 Million**

Mortgage  
Characteristics

**90%**  
*People of Color*

**64%**  
*Women*

**87%**  
*First-Time Homebuyer*



Small Business &  
Community Development  
Loans Closed\*

**2,630** loans  
**\$85.1 Million**

High-Impact  
**Business Loans**  
Closed\*\*

**71%**  
*High Impact*



Consumer Loans Closed

**2,953** loans  
**\$14.3 Million**

Consumer Loans  
in Economically  
Distressed Areas\*\*\*

**68%**  
*Economically Distressed*

\* Includes 2,603 SBA Paycheck Protection Program loans totaling \$22 million.

\*\* High-Impact Business Loans include: 1) Businesses located in a census tract with a poverty rate over 20% or a Median Family Income below 80% of the Area Median Income; 2) Businesses owned by Women or People of Color; and 3) Nonprofit organizations or community facilities.

\*\*\* Consumer 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.



## Bynum Recognized with Prestigious Heinz Awards for the Economy

In November, HOPE CEO Bill Bynum was recognized as the co-recipient of the 26th Annual Heinz Awards for the Economy. Mr. Bynum and HOPE were recognized for catalyzing over \$3 billion in community development impact and responding to the needs of people facing economic distress during times of crisis. Teresa Heinz, Chair of the Heinz Family Foundation, remarked, "The Heinz Awards honors Bill for shining light on and addressing the toll that decades of underinvestment, neglect, predatory lending and a lack of access to basic financial services has

had on those living in the rural Deep South. Through HOPE's program of resources and services, Bill has crafted a proven model to stop this trajectory of entrenched poverty and create a new future for generations of Americans, in the South and all across rural America." Created to honor the memory of the late U.S. Senator John Heinz, the Heinz Awards honors excellence and achievement in areas of great importance to Senator Heinz.

Read coverage of the award in the [Daily Yonder](#).



## NIKE, CDFI Leaders Reflect on Company's Decision to Invest in Opportunity

On December 16, 2021, Opportunity Finance Network President and CEO Lisa Mensah joined Hope Credit Union CEO Bill Bynum, along with Dane Spurill, Head of Global Cash and Banking at NIKE, for the Hope Economic Mobility Forum at the Mississippi Civil Rights Museum in Jackson, MS. During the conversation, the leaders spoke about the importance of long-term, sustainable relationships between corporations and CDFIs and the impact such relationships can have on changing economies. Bynum remarked on the impact of NIKE's investment in HOPE. He said, "We

take seriously that we are owned by our members. A majority of our members are women. A majority of our members are people of color. If we don't do right by them, then we are out of business, so we're proud to be able to represent them, to serve them and also to take their issues to places where they don't have access to... It's not just affecting people in the Deep South, it's affecting economically underserved communities across the country. When you equip people with the tools, they can do anything that anyone else can, and they just need the resources."

[Watch the conversation on HOPE's YouTube page.](#)



## HOPE Adds Depth to Board of Directors

During its December board meeting, the Hope Enterprise Corporation Board of Directors expanded to 21 members with the appointment of Mauricio Calvo, Rebecca Dixon, Felecia Lucky and Judy Reese-Morse. All bring significant expertise in community development, economic justice and racial equity to HOPE's oversight. Over half of the board members in service to the organization are people of color and nearly half are women.

**Mauricio Calvo** serves as the executive director of Latino Memphis, where he leads a team that connects with the private, public and philanthropic sectors to build an

abundant Latino middle class community. These goals are achieved by connecting Memphis Latinos to education and career advancement opportunities and needed services in a safe and encouraging environment. Mr. Calvo also serves on the Hope Credit Union Board of Directors.

**Rebecca Dixon** is the executive director of the National Employment Law Project (NELP), a leader in federal workers' rights advocacy and a respected voice at the intersection of labor and racial equity. Mrs. Dixon is also a former Senior Policy Analyst for Hope Policy Institute. Her commitment to economic justice at the intersection of race, class and gender stems from her experiences growing up in rural Mississippi.

**Felecia Lucky** is the President of the Black Belt Community Foundation (BBCF) in Selma, Alabama. The foundation was established to support community efforts that contribute to the strength, innovation and success in Alabama's 12 poorest counties. At the foundation, Mrs. Lucky works to transform the Black Belt through investment in the environment, health and human services, education, youth, arts and culture, community and economic development.

**Judy Reese-Morse** is the President and CEO of Urban League of Louisiana. Mrs. Reese-Morse brings vast experience in executive-level work within government, the not-for-profit and media sectors. In addition to serving as Deputy Mayor for the city of New Orleans under the Landrieu Administration, she also worked on Capitol Hill for Congresswoman Lindy Boggs, and as Chief of Staff for Louisiana Lieutenant Governor Mitch Landrieu.

---

## Groundbreaking Investment Announced



Vice President Kamala Harris and U.S. Treasury Secretary Janet Yellen announced historic levels of new funding for community financial institutions to significantly increase lending to businesses owned by people of color and low-income communities through the Emergency Capital Investment Program (ECIP). ECIP makes long-term, very low-cost capital available to reinvest in communities facing high levels of economic distress. Through the program, Hope Credit Union, a Black and women-owned financial institution headquartered in the Deep South, was awarded \$88 million – the largest community development investment in the organization's 27-year history.

[Read coverage of the ECIP announcement in the American Banker.](#)

## New Report Highlights Racial Disparities in Arkansas Housing Market

The Hope Policy Institute recently released a report that found a 26-percentage point gap in Black and white homeownership in Arkansas — larger than the gap experienced at any point during the 2008 housing crisis. Similar gaps by race were identified among renters with 40 percent of Black renters behind on rent in contrast to just 15 percent of white renters. COVID-19 exacerbated the challenges experienced by both homeowners and renters of color. Recommendations to address the conditions included the equitable distribution of COVID relief dollars, the extension of down payment assistance, the use of non-traditional credit in underwriting and expanded enforcement of fair housing laws.

[Read a summary of the full report.](#)

---

## Deep South Organizations Call on CFPB to Enact Strong Fair Lending Rules for Small Businesses

More than 40 small businesses, community-based organizations and mission-based lenders across the Deep South urged the Consumer Financial Protection Bureau (CFPB) to issue strong fair lending rules to ensure small businesses owned by people of color and women have fair access to the capital they need. HOPE also submitted detailed research and comments to further strengthen these collective recommendations. As noted in the letters to the CFPB, “Small businesses owned by people of color and women drive significant economic activity and job creation, which is furthered by fair access to credit on fair terms. Robust data collection and transparency in lending will give women and people of color more opportunities for financial stability and strengthen the fight to close racial and gender disparities in banking that have existed for far too long.”

[Read a summary of the Public Comments and access the letters.](#)

---

## Netflix Launches Series on Closing the Racial Wealth Gap

***Netflix recently released a new video series, Banking on Us!*** This 3-part limited series unpacks the systemic barriers facing Black families and business owners to building wealth and interviews with HOPE members on the steps they took to overcome those obstacles. To date, over 18,000 people have viewed one of the three episodes.

Dominique Lumpkin, HOPE Member Owner, shared her story on how HOPE provided her with a pathway to homeownership. “To be a homeowner and a person of color, it’s the first step in generational wealth. It’s one of the greatest accomplishments I’ve ever made.” Another Member, Colby Midget of Premier Flowers, reflected on her experience as a Black woman business owner. She said, “At one point we were closed due to COVID, due to the pandemic, and HOPE helped us to stay in business. Black women entrepreneurship, it means freedom.”

This series continued the partnership between Netflix and HOPE. In June 2020, Netflix made a \$10 million Transformational Deposit in Hope Credit Union as one of the first investments in a \$100 million commitment to build economic opportunity in Black communities. The investment in HOPE, among the first made by Netflix in Black owned financial institutions through the initiative, is supporting the financing of more than 2,500 entrepreneurs, homebuyers and consumers of color.

[Watch all three episodes \*Banking On Us!\* episodes.](#)



*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.

