



Quarterly
Report

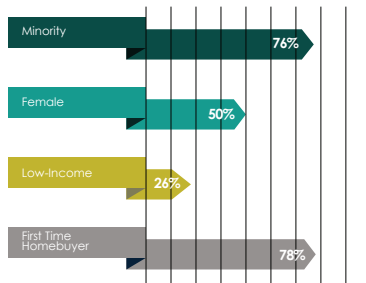
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Removing Barriers to Homeownership *Little Rock, AR*

Melbatine Hunter, a single mother of two, put herself through college to improve her life and future prospects. But her student loan debt had created a barrier to homeownership. She had worked hard to earn a degree, and now that investment was preventing her from securing a home loan, stopping her from building wealth that she could pass on to her children. She didn't know where she should turn until she heard about HOPE. Unlike other lenders, the HOPE mortgage team manually underwrote Melbatine's application and determined that she could afford to borrow a mortgage, given her student debt and current job. Soon after, Hunter bought her first home with HOPE's help and is thankful for the stable, safe place where her children can grow and create memories.

Mortgage Loan Borrower Characteristics



In the 1st Quarter of 2018

98%

of HOPE's new mortgage loans were high-impact loans. These are to minorities, female, low-income home buyers and first time home buyers.



Ending a Debt Cycle Memphis, TN

Turned down by three banks, Sharon Strahan thought a payday lender was her only option for a loan. The divorced mother of two was living paycheck to paycheck when her car needed an emergency repair. "I thought the payday loan was a source of survival, but the interest rate was eating me up," she says. After hearing a radio advertisement about HOPE, she decided to visit a branch near her home. Strahan didn't expect any services

beyond credit counseling so when HOPE offered to replace her high interest debt with an affordable low-interest credit building loan, she knew she had come to right place.



Now Serving Brunch New Orleans, LA

At Mojo Coffee House, you can drink a cup of joe or eat a "hip-hop" brunch. The New Orleans business is owned by Angie and Demian Jackson, a couple who were turned down for a loan at a bank when they first tried to expand. "At the time, it was tough to get a loan, but we had to grow. It was sink or swim," Angie said.

HOPE helped them, approving a loan to expand the coffee house by adding a kitchen and doubling the seating capacity. The couple learned about HOPE through the Goldman Sachs 10,000 Small Businesses Initiative. HOPE is the program's lender in the South.



Still Saving in Retirement West Point, MS

A self-described "country boy," Robert Ewing is awakened by a rooster's crow each morning. He has peace of mind in retirement after working for B & W Manufacturing for 43 years. One of the reasons is that he still has access to affordable financial services after HOPE's recent merger with B & W Mississippi Employees Credit Union. "The merger was great," said Ewing, who now has a savings account with HOPE.

"It makes everything better because people need a place to deposit their checks or open savings accounts."



HOPE Wins WSJ Financial Inclusion Challenge

HOPE is the winner of the 2018 Wall Street Journal Financial Inclusion Challenge. HOPE was recognized for its work to expand financial access to underserved people and places in the Mississippi Delta. After acquiring donated bank branches, HOPE opened locations in the small towns of Drew, Itta Bena, Moorhead and

Shaw. In three of the towns, HOPE is the only financial institution. The newspaper's first Financial Inclusion Challenge in the U.S. concluded with a live competition where three finalists answered questions about the impact and sustainability of their work. Challenge judge Camille Busette of the Brookings Institution noted that HOPE stood apart because of its "impact on communities, as well as on individuals and families."



Closing the Financial Services Gap Forum to Focus on Strategies to Reach Underserved Communities

The Bill & Melinda Gates Foundation recently pledged \$158 million to support initiatives that help Americans climb the economic ladder. This effort builds on recommendations generated by the U.S. Partnership on Mobility from Poverty. One set of strategies put forth by the Mobility Partnership focuses on the vital role that access to affordable, responsible financial services plays in

determining one's ability to move out of poverty. These recommendations are featured in the paper "Opening Mobility Pathways by Closing the Financial Services Gap," co-authored by the Urban Institute and HOPE. On June 22, the Mobility Partnership, the Mary Reynolds Babcock Foundation and Hope Enterprise Corporation will host a forum designed to take action on ideas featured in the paper. Representatives from the banking, philanthropy, government and practitioner sectors will convene to strengthen the recommendations put forth in the paper, and to forge action steps forward.