

# Quarterly Report

OCTOBER - DECEMBER 2022

Hope   
credit union  
enterprise corporation  
policy institute

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Dear Friends,

In 2019, Federal Reserve Chairman Jerome Powell came to Mississippi Valley State University, a Historically Black University to speak at HOPE's Rural Places, Rural Spaces policy forum. During his visit, the first by a sitting Fed Chairman to the Delta, after noting that all parts of the economy were not recovering evenly, Powell said we must "bring people into the economy who are at the edges."

Powell's call still rings loudly today, as inflation takes a disproportionately heavy toll on those we serve at HOPE. Every day we see our members' financial stress magnified as their meager savings erode, the lure of high-cost debt to cover basic living expenses increases, and the dream of buying a first home slips further from their grasp.

During times like these, the need for HOPE and our partners is often greatest. We help people navigate tumultuous circumstances by taking time to understand where they are on their financial journey, and forging solutions that meet their needs. People like Stephanie Robinson, who used a down payment assistance partnership between HOPE and Goldman Sachs to become a first-time homebuyer in Montgomery, Alabama.

Partnerships come in a myriad of forms. They can support homeownership, entrepreneurship, green communities, quality healthcare, education, housing and other services that increase economic mobility and improve lives in opportunity deserts. And they may be with corporations who prioritize diversity and inclusion and a sustainable planet, or with foundations, municipalities, HBCUs, public agencies or individuals whose goals align with HOPE's mission. In every case, partnerships are vital to HOPE's impact.

Thank you for being our partner. Because of you, the economy's edge is further away for millions of historically underserved families across the Deep South.

In partnership,

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

Bill Bynum, CEO, HOPE

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Last year, 3 out of every 10 mortgages closed by HOPE leveraged over a half million dollars in down payment assistance. The following two homeownership stories share how HOPE taps a variety of programs to make homeownership a reality for individuals for whom it would otherwise remain out of reach.



### The Perfect Home for a Craftsman

Stephanie Robinson had been a HOPE member-owner for several years when she approached HOPE's team in Montgomery, Alabama to discuss options to purchase her first home. While she had used HOPE's deposit products regularly, she did not have a long track record of managing credit. Together, Ms. Robinson and HOPE's team developed a plan to be carried out over the course of a year. Part of the plan included working through the mortgage application process to qualify for an FHA loan – though Ms. Robinson would need to overcome a down payment

barrier. In concert with one of HOPE's bank partners, HOPE assisted Ms. Robinson in accessing a down payment assistance grant. With help from the program and after executing the plan, Ms. Robinson became a homeowner where she enjoys woodworking and crafting in her home studio. After closing, she reflected this would not have been possible without the down payment assistance and HOPE's commitment to helping her reach her aspirations. "I just like HOPE; I think it is a good company to invest my money in," says Robinson. "HOPE makes you feel like family."



### On the Road to Homeownership

For over 15 years, HOPE member Dianne Hall rented an apartment in New Orleans East with assistance provided by the Housing Authority of New Orleans (HANO) through the Housing Choice Voucher program. Housing Choice Vouchers provide assistance to eligible families and individuals (based on income, age or disability status) to rent or purchase a home on the private market. To use the voucher to cover mortgage payments, prospective homebuyers must be in good standing with HANO, employed full-time, making at least \$14,500 a year,

maintain a minimum credit score of 640 and have at least \$3,000 in savings explicitly to buy a home.

HOPE, HANO and Ms. Hall all pooled their resources to make homeownership a reality. HOPE's mortgage team tapped the Neighborhood LIFT program to provide \$15,000 in down payment assistance which was used to reduce the cost of the mortgage and to cover closing costs. Ms. Hall also qualified for HOPE's Affordable Housing Program mortgage which neither requires a down payment nor mortgage insurance which eats into the monthly income available to pay the loan. With the Housing Choice Voucher available to cover the mortgage, Ms. Hall became a homeowner. "I put my money on the side and sacrificed." "[HANO] helped me out a lot, and the loans helped me out," says Hall. Hall now shares her story with other Housing Choice Voucher tenants. "A lot of people think they can't do it," Hall said. "It needs to be known more ... that it's possible."



### Partnership for Good Health

Greater Meridian Health Center (GMHC) is a Black-led, Federally Qualified Health Center. Incorporated in 1986, GMHC is located in a persistent poverty county in eastern Mississippi and serves approximately 8,000 patients annually. Eighty-seven percent of the patients are people of color, and ninety-four percent earn incomes below the federal poverty level. Looking to bridge healthcare access gaps even further, GMHC approached HOPE to finance a satellite clinic in Macon, Mississippi, a small town of 2,500 residents – of whom four out of five are Black. In the absence of the clinic, local residents would need to drive over an hour for primary care and dental services.

In total, the expansion would cost \$1.7 million; however, the specialized nature of the project required multiple partners to finance the capital stack. HOPE led efforts to assemble a loan package using its own capital and drawing on resources provided by one of HOPE’s bank partners and a federal agency dedicated to rural development to bring the project to fruition.

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### Finding New Roads

Ashaki Clark, a HOPE member since April of 2021 and a mother of two, experienced significant hardship following a divorce. One of her immediate needs was to purchase a reliable vehicle to get to work and take the children to school. Unfortunately, her financial situation was in flux, and she could not find a bank that would provide her with the financing she needed to buy a car. Out of options, she applied for an auto loan with Hope Credit Union online. One of HOPE’s Memphis-based Sr. Member Representatives connected with Ms. Clark and began the loan

process. While Ms. Clark had a limited credit history, she had a strong track record of making payments on time for other bills. HOPE was able to draw on this history to approve the loan. “I am so thankful for HOPE; they took a chance with me knowing my situation, and helped me to move forward,” said Clark. She can now travel with her family with confidence.

## Impact 2022 Year-to-Date



### Homeownership

**138** Mortgage Loans Closed

### Mortgage Characteristics



People of Color



Women



First-Time Homebuyer



### Small Business & Community Economic Development

**148** Business and CED Loans Closed

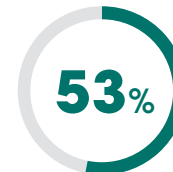
### Business Loans and CED in Economically Distressed Areas\*



### Consumer & Retail Services

**3,458** Consumer Loans Closed

### Consumer Loans in Economically Distressed Areas



**110,331** 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.



## Municipal Bond Purchase Fuels Mid-Delta Airport Improvements

In January, Mayor Errick Simmons of Greenville, Mississippi announced an \$11.7 million investment in the Hanger Improvement Project at Mid-Delta Airport. Improvements to Hangar 450, currently the largest unoccupied airplane hangar in America, will help to make the airport a more viable economic asset for the city and foster future job creation and growth for the airport and the community. Hope Credit Union purchased \$6.4 million in bonds to support the project, which will bring 200 jobs to Greenville in the field of aircraft maintenance. The investment will

also accelerate on-site workforce development partnerships with Delta State University and Mississippi Delta Community College.

“Since opening our Greenville office in 1994, HOPE has financed thousands of Delta families and businesses,” said HOPE CEO, Bill Bynum. “Partnering with the city of Greenville to finance the Hanger Improvement Project is a great way to put HOPE’s investment portfolio to work in alignment with our mission of creating jobs and strengthening economies in places with great potential.”



## Advocacy Advances Financial Inclusion

In the 4th Quarter, HOPE authored five public comments to advance financial inclusion through recommendations shared with the U.S. Treasury, the Consumer Financial Protection Bureau (CFPB) and the Environmental Protection Agency (EPA). Comments shared with the U.S. Treasury included proposals to define a new designation of banks / credit unions serving people and communities of color; to structure federal programs in a way that advances financial inclusion and to strengthen the Community Development Financial Institution (CDFI) certification process to facilitate the

growth of CDFIs serving historically underserved populations. The organization also weighed in on proposed CFPB rules to govern the refinancing of mortgages and shared its experience with the EPA to inform how the agency could structure its Greenhouse Gas Reduction Fund to ensure communities of color can meaningfully participate in a generational investment to “green the economy.” All of HOPE’s public comments are summarized and available for review on the Hope Policy Institute’s [blog](#).

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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.

