

# Quarterly Report

JULY - SEPTEMBER 2022

Hope   
credit union  
enterprise corporation  
policy institute



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Dear Friends,

This fall, we announced a \$1 billion commitment to the region. The commitment was catalyzed by a \$92.6 million low-interest loan awarded through the U.S. Department of Treasury's Emergency Capital Investment Program (ECIP). HOPE will use the funds to raise deposits and deploy them in places that lack local resources needed to finance businesses, homebuyers, community facilities and other assets needed to advance prosperity for the people of our region.

The investment positions HOPE to grow and reach more people and anchor institutions in our communities than at any other point in its history. People like Willie Dixon. After walking to work his entire life, Mr. Dixon, purchased his first vehicle with a HOPE loan at the age of 54. He's now building his credit and working with HOPE to purchase his first home. Anchor institutions like the Alabama Aerospace & Aviation High School – a Black led public charter school dedicated to expanding the pipeline of diverse pilots through hands on education.

The resources also fortify our ability to continue our advocacy for systemic change in our financial system. In August, we hosted the U.S. Secretary of Housing & Urban Development in a roundtable of community development financial institution leaders where we discussed ways in which banks could expand lending to homebuyers of color. Likewise, I was privileged to join the inaugural Treasury Advisory Committee on Racial Equity as the only representative from the Deep South.

As the end of the year draws near, I find myself reflecting on the fact there are thousands of Mr. Dixons living in the Deep South and all they need are the tools to succeed. Now, with the resources in place to reach more people than ever before, your partnership critical to expanding our reach and impact. If you are not yet a [Transformational Depositor](#), we invite you to join this effort today. Thank you for your ongoing commitment and support of our work.

In partnership,

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

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## Flying High

This fall, the Alabama Aerospace & Aviation High School opened its doors and welcomed its inaugural class. Located in Bessemer, Alabama, the public charter school provides a hands on college preparatory curriculum with an emphasis on career pathways into the aerospace and aviation industry. When looking for a financial partner to fund the outfitting of this unique school, they turned to HOPE because of its funding partnership with the US Department of Education and the credit union's long track record in financing charter schools in the Deep

South. Beyond the classroom, the school offers internships, apprenticeships and training opportunities with Delta Airlines and the Bessemer Airport Authority. Long term, the majority Black school seeks to diversify the pipeline of pilots in a field where workforce shortages are common. "With this new high school, we are inspiring students to soar and giving them the wings to do it," says Ruben Morris, Director of the Alabama Aerospace and Aviation High School.



## Clearing the Path to a Dream Home

Debbie Jones homeownership journey was fraught with frustration and heartache. As a single Black woman caring for both her daughter and her mother, she encountered numerous obstacles from unscrupulous realtors who repeatedly engaged in practices to block her purchase. After months of looking and disappointment, she finally found her "Dream Home in Pearl, Mississippi," and applied for financing to the stage to make an offer. Unfortunately, her mortgage application was denied by the bank. Ready to give up, Ms.

Jones shared her experience with her brothers, both in the ministry, they encouraged her to reach out to HOPE. Thankfully, the house was still on the market. HOPE's team worked with Ms. Jones every step of the way. After only 30 days, Ms. Jones became a homeowner with HOPE. Today she enjoys watching her grandchildren play in the yard and her garden. When asked to reflect on her road to homeownership, Ms. Jones shared "HOPE is for us and run by us."



### Planting Seeds for Financial Growth

Marc Middlebrooks worked for the Shelby County school system as a teacher's assistant. While the job was steady, he recognized he needed additional income to provide for his children. Tapping into his entrepreneurial spirit, he opened a lawn care and landscaping business. One of his first steps included seeking out a partner in a financial institution for a business account and a small business loan. When he approached another financial institution for working capital, the process was not clear and loan officers were not helpful in

providing guidance for pulling his application together – ultimately leading to the denial of his loan. He went to HOPE and found friendly service and a team committed to his success. They informed him of all the items needed and guided him throughout the entire process. Determined not to give up, Middlebrooks turned to HOPE for assistance. "I felt comfortable with HOPE because they are the ones that gave me the opportunity to actually get a business account." At HOPE, the loan officer walked him through the process, and he opened his business account on the very same day. Middlebrooks also received a small business loan from HOPE and purchased a trailer and lawn equipment. Middlebrooks continues to expand his lawn care business and serve those in his community. "HOPE was an excellent choice for me to grow my business."



### Grounds for Success

Courtney Tobias found herself in need of capital for her start-up, Lunchroom Coffee, an organic fresh roasted coffee distributor in Louisiana. Unfortunately, like too many women and business owners of color, she met resistance from traditional financial institutions that failed to see her vision and repeatedly turned down her loan requests. Ready to give up, she said "I determined that I was done with lending institutions because they weren't structured for people like me." Fortunately, she did not give up and she turned to HOPE. HOPE provided a \$10,000 loan through

its Power of HOPE program, a low interest loan structured to support entrepreneurs affected by the pandemic. Today, her product is sold in 13 retail outlets in Louisiana and she maintains a robust online presence. She's also looking ahead to expanding through the purchase of a trailer and ultimately the construction of her own manufacturing facility.



### Discovering New Possibilities

For years, Willie Dixon has either walked or ridden public transportation to and from work. At the age of 54, Dixon never owned a vehicle. He first learned about HOPE through a presentation at his church presented by the Black Clergy Collaboration of Memphis (BCCM), a partner of HOPE. A HOPE Financial Inclusion Officer spoke to the congregation about how HOPE supports and provides access to financial services to underserved communities. Dixon was inspired and found the confidence to apply for an auto loan. He

was hesitant at first since he did not have any credit established. Dixon was a firm believer in using cash to purchase everything. HOPE was able to assist Dixon with the loan process, and as a result, he bought his very first vehicle. He is grateful to the HOPE team for helping make it all possible. Now he is working on establishing credit to prepare to purchase a home.

## Impact 2022 Year-to-Date



### Homeownership

**106** Mortgage loans Closed

**16.8 Million**



People of Color



Women



First-Time Homebuyer

Mortgage Characteristics



### Small Business & Community Development\*

**114** Business and CED loans closed



**81%** Business Loans in Economically Distressed Areas\*\*



### Consumer Loans Closed & Retail Services

**2,044** Consumer Loans Closed

**109,323** Individuals Served in HOPE Member Households



**83%** Consumer Loans in Economically Distressed Areas

\* HOPE's Small Business Loan program supports entrepreneurs seeking loans of less than \$250,000. From 1/1/22 to 9/30/22, HOPE closed 82 Small Business Loans totaling \$1,270,028.

\*\* 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.



## HOPE Pledges \$1 Billion to Improve Lives in Underserved Deep South Communities

In September, Hope Credit Union (HOPE), the nation's leading Black- and women-owned community development financial institution, announced plans to provide \$1 billion in financing to improve lives and close the racial and gender opportunity gaps in Alabama, Arkansas, Louisiana, Mississippi and Tennessee. HOPE projects that the investment will benefit more than 150,000 people over the next 10 years.

To read the full announcement, click [here](#).



## U.S. Secretary of Housing & Urban Development Visits Jackson, Mississippi

In August, HOPE coordinated a visit to Jackson by the U.S. Secretary of Housing & Urban Development. While in Jackson, the Secretary and Congressman Thompson hosted three roundtables. The first roundtable focused on the needs of Historically Black Colleges & Universities. A second engaged faith leaders around the affordable housing and community development needs facing their communities. HOPE co-hosted a third roundtable with the executive leadership of a number of Bank Community Development Financial Institutions (CDFIs). During the meeting, Secretary Fudge

pressed CDFI Bank leaders to identify ways in which their institutions could increase mortgage lending to borrowers of color – particularly in light of the federal investment received by the institutions attending the event.



## HOPE Appointed to Treasury Advisory Committee on Racial Equity

WASHINGTON – In conjunction with the annual Freedman's Bank Forum, U.S. Secretary of the Treasury, Janet L. Yellen, announced the inaugural members of the Treasury Advisory Committee on Racial Equity. The first-of-its-kind committee will provide advice and recommendations to Secretary Yellen and Deputy Secretary Wally Adeyemo on efforts to advance racial equity in the economy and address acute disparities for communities of color. HOPE CEO Bill Bynum was appointed to the Committee. Reflecting on his appointment to service, Bynum shared "As America becomes more diverse,

making racial equity a priority in policy decisions serves the nation's collective interest and makes the economy more resilient. Secretary Yellen and the Biden-Harris administration are to be commended for taking this historic step. I look forward to bringing voices from the Deep South to this important work."

To read the full article, click [here](#).

# *Make Your Transformational Deposit Today!*

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