



St. Louis Community
Credit Union

Welcome to the community.

Financial Innovations for Homeownership in Distressed Communities





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St. Louis Community Credit Union

- Not-For-Profit Financial Cooperative
- \$250 Million in Total Assets
- 14 St. Louis Area Locations (soon to be 15)
- Over 53,000 member-owners
- Federally insured and regulated by the National Credit Union Administration (NCUA)





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St. Louis Community Credit Union

- Community Development Financial Institution (CDFI)
 - Designated by United States Treasury Department
- Low-Income Designated (LID) Credit Union
 - Designated by National Credit Union Administration
- Community Development Credit Union (CDCU)
 - Member, National Federation of Community Development Credit Unions





Leveraging Our Strengths

- **Funding**
 - Public, private, and philanthropic investments help to expand our capacity to serve the financially underserved
- **Advocacy**
 - Speaking for our members is a key component of how we work to achieve our mission
- **Strategic Partnerships**
 - By aligning with individuals and organizations that can help us to achieve our mission, we are better able to serve our members



St. Louis Community
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**Accessibility + Financial Products +
Financial Education =
Financial Capability**





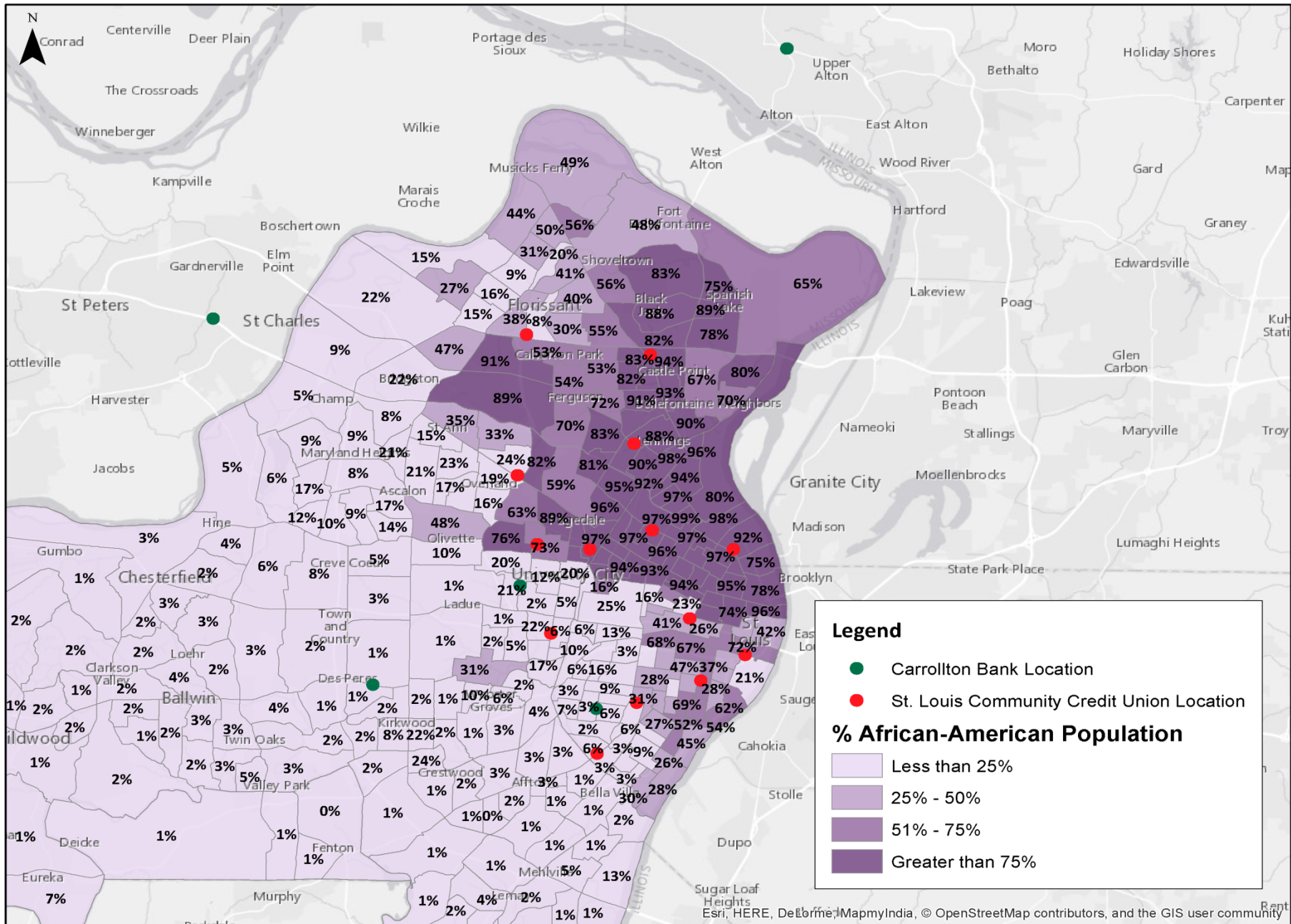
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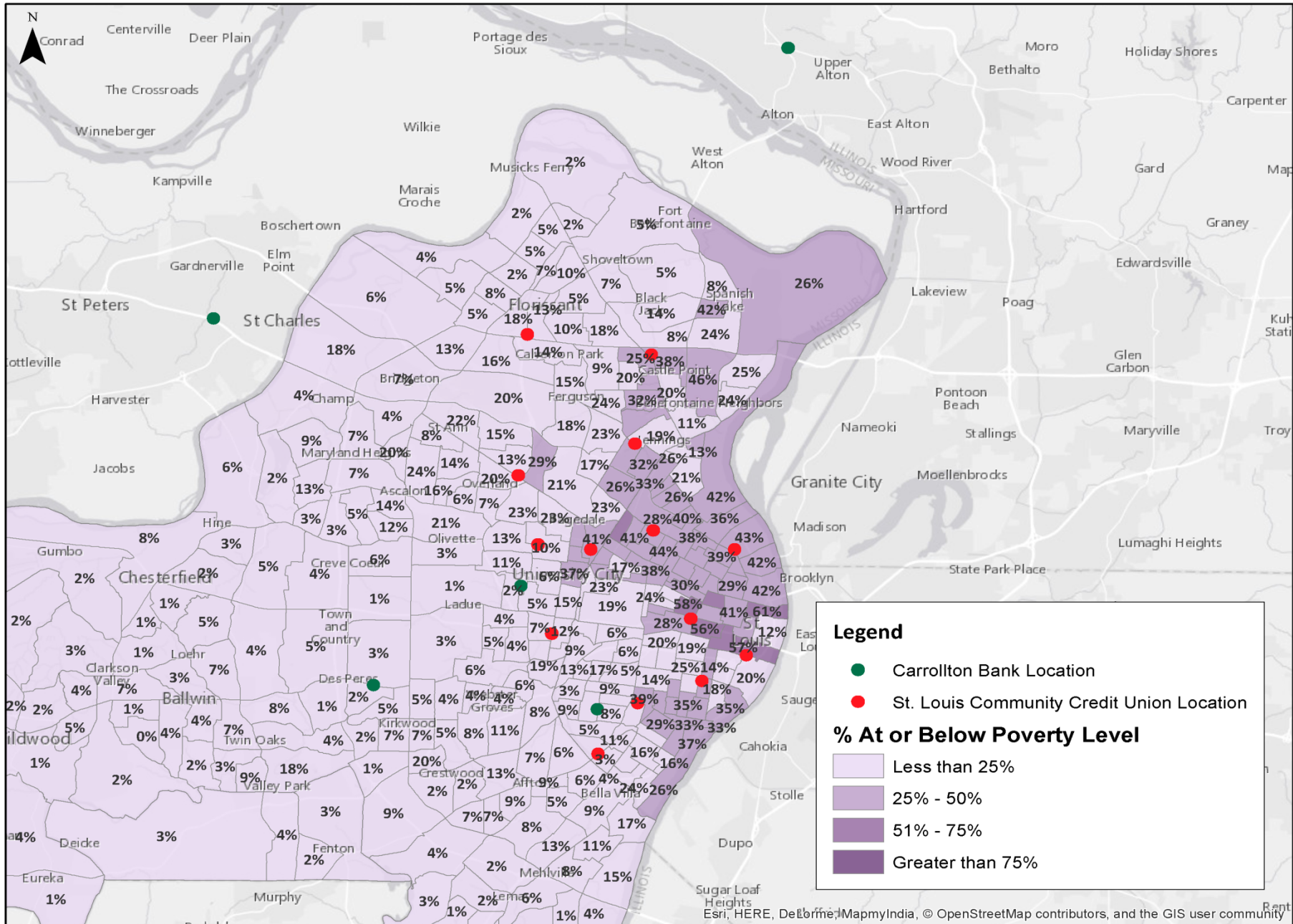
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Accessibility

- 14 St. Louis area locations (15 very soon!)
 - 8 in St. Louis County
 - 6 in St. Louis City
 - Based in areas lacking financial services
- Traditional locations
- Micro-branches
 - Located within non-profits
 - \$4.8 million in loans from all all three micro-branches combined







Carrollton Bank

- 140 year old privately owned community bank headquartered in Carrollton, IL (60 miles north of St. Louis)
- \$1.4 billion in assets
- 9 branches (7 branches in St. Louis MSA)
- Primary service offerings include commercial loans, home mortgages, treasury management services, consumer deposits, credit builder loans, and second chance checking accounts
- Community development focused to achieve high impact in underserved communities

A Mission Driven Partnership

Credit Union and Bank partnership established in 2012 to meet the needs of low- and moderate-income populations in St. Louis

- Small Dollar Loan Fund
- Financial Education Center
- Marketing Support
- Micro-Branch
- Commercial Loan Partnerships
- **Home Loan Referral Program**

Partnership exists to better leverage the respective resources for maximum impact in the community.

Home Loan Referral Program

- Utilizes SLCCU's branch platform to make home loans accessible to 55,000 members
- Carrollton Bank provides:
 - "back office" to process home loan applications
 - Training to SLCCU staff
 - Marketing support
 - Home loan officer dedicated to program
 - Financial education and coaching as needed for applicants who don't initially qualify

No Ordinary Home Loan

- High-touch approach to encourage members interested in home ownership to inquire and apply for a home loan
- Hands-on process to keep applicants on the path to home ownership even if they don't initially qualify
- LMI applicants have heightened difficulties in qualifying and frequently need SLCCU or Carrollton Bank assistance to stay on track even after approved for a home loan

Home Loan Referral Process

- SLCCU provides initial contact in branches
- SLCCU takes application in person or refers member to online application
- SLCCU makes initial loan decision
- Approved applicants are referred to Carrollton Bank home loan officer to proceed with application process and to eventual loan closing
- Downpayment assistance programs utilized for LMI applicants

Home Loan Denials

- Applicants are typically denied because of low credit scores
- Applicants are immediately invited to attend homebuyer class and other financial education classes provided at Prosperity Connection Excel Center staffed by Carrollton Bank team
- Free credit coaching available from Prosperity Connection coaches
- Applicants are encouraged to obtain Credit Builder Loan
- Totally Free Checking Account and second chance account are available if needed/wanted

Extra Care

- Many applicants never thought they would own their own home
- Can take two years for some applicants to qualify
- Carrollton Bank home loan officer stays involved throughout the process
- Free financial education and coaching continually available

Results 2015-2016

- 1,215 applications received
- 82 home loans closed
- Only 7% of applications resulted in closed loan
- \$128,000 average closed loan amount
- \$35,000 average annual income
- 642 average FICO score for approved applicants (need 620 to qualify)
- Scores for denied applicants typically in low 500 range
- Closed loans located in some of most challenging St. Louis neighborhoods = success!

A photograph of an elderly woman with short grey hair, smiling and wearing a pink cardigan over a patterned top. She is standing on a paved path in front of a brick house with a brown roof. The background shows green trees and a clear blue sky.

Marva's Story

Refinanced mortgage
Consolidated CC debt
Began saving more \$\$

“It's freed up money for me...I didn't want to live an die with this CC debt over my head. Now I'm doing just fine.”

Anne's Story

Plumbing leaking
Heating/Air issues

FHLB grant for
CAASTLC = \$300k

Home repair and
weatherization

“This house, at 3:00 in the morning would be so cold. At 3:00 THIS morning, it was heaven.”

Healthier,
decreased
medical and
utility costs



Wealth Accumulation Center



Three facilities in one:

1. Alternative Financial Services (AFS) at Reduced Price Points
 - **RedDough Money Centers™**
2. Mainstream Financial Services
 - **St. Louis Community Credit Union**
3. Financial Literacy/Life Skills Training
 - **CU Excel Center®**

WAC Vision:

Reduce Poverty and Generate Upward Mobility

Deploy 2-4 regional, non-profit
Wealth Accumulation Centers
(WACs) in St. Louis to provide:

- Financial Education
- Benefits Analysis
- Affordable Banking Products and Services



Financial Coaches



CARROLLTON BANK



St. Louis Community[®]
Credit Union



prosperity connection

Contact Information

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