

Strategic Programs **REAL Solutions**

For Real People with Real Needs

For predatory loan victims struggling to climb out of debt; aspiring entrepreneurs reaching to revitalize low-income communities; life-long renters striving to realize the American dream; recent immigrants learning to build new lives; and everyone across America working to live from paycheck to paycheck...

These are real people with real needs who are finding REAL Solutions® at credit unions.

"I was paying over \$2,000 a month just in interest on loans. I figured if the GoodMoney program is willing to help, I could go to Prospera Credit Union and pay all these loans off. My life went from a knot in my gut 24/7, to being able to breathe."



- Mike Grossman
Member,
Prospera Credit
Union,
Appleton, Wisconsin

"My credit union is a blessing. Everybody helps everybody. I saved money and received matching dollars to start a nail business. There was no other possible way to get started. Now I'm training 15 women. Each one of them received tuition assistance thanks to the credit union."



- Lachelle Williams
Member,
Faith Community United Credit
Union,
Cleveland, Ohio

"I thought I'd be renting a small apartment for two more years. Now I have a three-bedroom house. I'm building wealth in my own name. I probably couldn't have afforded this first house if it weren't for the credit union and the Home Loan Payment Relief (HLPR) program."

- Terri Brewer
Member,
Seven Seventeen Credit Union,
Warren, Ohio



"I am a Cape Verdian living in America. Sometimes we receive wrong information from wrong people and make wrong decisions because of it. By taking a class at HarborOne's MultiCultural Banking Center, I will make better financial choices and improve my life. Please continue the program because it's helpful for everyone in the community."

- Maria Leite
Member,
HarborOne Credit Union,
Brockton, Massachusetts



The National Credit Union Foundation's REAL Solutions® program works through state credit union leagues to help credit unions offer services that have proven successful for people with "low wealth."

Real People

Low-wealth households include not only people of modest means or low income, but also renters with moderate and middle incomes who are unable to save. REAL Solutions® reaches people of all ages and all ethnic groups.

Real Needs

Millions of people with low wealth need opportunities to build savings and assets. Many have no alternatives but predatory lenders.

Strategic Programs

Real Services

REAL Solutions® helps people with low wealth become credit union members, grow savings, establish credit, and build assets.

Real Innovations

Every time another league or credit union participates in REAL Solutions®, new innovations become available. Credit unions can adopt best practices from others, and/or share their own.

Among the latest innovations: sustainable non-prime used auto loans. To see how these loans work, go to www.ncuf.coop and download *Steer Clear: How Credit Unions Help Car Buyers Avoid Predatory Loans*.

Real Impact

Now credit unions can measure the impact of many REAL Solutions® services and find how to provide them. The REAL Solutions® Impact Center is open to all at



www.realsolutions.coop.

"REAL Solutions® is making a real impact, and we want to share it in the cooperative spirit with all credit unions," says National Program Director Lois Kitsch.

Real Opportunity!

Ready to offer REAL Solutions®? Call Lois Kitsch at (407) 616-2409.



Making a REAL Impact: REAL Solutions® Success Stories!



The National Credit Union Foundation's REAL Solutions® program is making a real impact through state credit union leagues.

Nearly 30 state leagues are working to help nearly 600 credit unions offer services that have proven successful in reaching out to millions of people.

Over the next eight pages, you will see REAL Solutions® success stories from 16 states.

REAL Deal

REAL Solutions® has also inspired the REAL Deal outreach framework in partnership with the American Association of Credit Union Leagues and the Credit Union National Association (CUNA).

The REAL Deal provides a common brand for many different types of outreach programs. The REAL Deal brand encourages local creativity while maximizing national impact.

The goal is for every credit union and

league to engage at a high level in at least two of the four REAL Deal outreach framework models:

REAL Programs

Products and services promoting a "good deal" for members...

REAL Sources

Consumer information to members and available to non-members on credit union services, financial education, and smart choices for daily finances...

REAL Community Help/Commitment

Community involvement and charitable initiatives/donations...

REAL Partnerships

All state programs that already have traction under other names... Credit unions and leagues have the option of utilizing the REAL Deal brand or promoting comparable programs.



Making a REAL Impact: REAL Solutions® Success Stories!

ALABAMA CREDIT UNION LEAGUE

Alabama Credit Union League



"Thank you for sitting down with us back in the spring. We are doing so much better now. When we spoke to you, we were spending \$200 per month more than we were making. We are saving every month, and putting money aside for Christmas. We have even set up a college fund for our daughter who is one year old. Thank you so much for helping us change our lives!"

—Stacey
From a future millionaire

The Alabama Credit Union League's first class of REAL Solutions® credit unions represent more than 230,650 credit union members and more than \$1.2 billion in assets. We want to thank our first-year partner credit unions: Alabama Credit Union, Family Security Federal Credit Union, Community Credit Union, Listerhill Credit Union, Mutual Savings Credit Union, NRS Community Development Federal Credit Union and Riverdale Credit Union.

In this pilot year, we explored payday loans, other financial products and outreach to recent immigrants in Alabama. In addition, we partnered with SaveFirst, a Volunteer Income Tax Assistance (VITA) group providing free income tax preparation. In the first six weeks, Save First and Alabama credit unions prepared more than 1,400 returns for working families – helping them secure \$1.7 million in tax refunds and saving them \$280,000 in commercial tax preparation fees.

We are looking forward to an even more successful sophomore year.

ARIZONA CREDIT UNION LEAGUE & AFFILIATES



REAL Solutions® was introduced to Arizona Credit Unions in November 2007 to enable them to provide "Relevant, Effective, Asset-building, Loyalty-producing" services for low-wealth members and consumers.

REAL Solutions® is supported by the Arizona Credit Union League and a grant from the Arizona Credit Union Foundation. The program works through the League to help credit unions offer products and services that have proven successful in attracting consumers of modest means. The products and services are offered through education, transaction services, savings, credit and home ownership.

Eighteen Arizona Credit Unions have embraced REAL Solutions® and have participated in partner meetings introducing payday loan alternative products, pre-paid debit cards, reaching youth and young adults and social media concepts.

The next step in Arizona is to provide a turn-key payday loan alternative product that will meet the financial needs of those members who need REAL Solutions® the most!

Arizona's REAL Solutions® Credit Unions:

| | | |
|--------------------------|---------------------------|-------------------|
| AEA FCU | Bashas' Associates FCU | Pima FCU |
| Alhambra CU | CPLC FCU | Pyramid CU |
| Altier Credit Union | Credit Union West | Tempe Schools CU |
| American Southwest CU | Desert Energy CU | TruWest CU |
| Arizona Central CU | Desert Schools FCU | Tucson Federal CU |
| Arizona Federal CU | First Credit Union | Tucson Telco FCU |

REAL Solutions for Members



"The REAL Solutions program has helped us focus our efforts on serving the underserved. We've offered a payroll savings loan that covered emergency medical care for a member in need, as well as the SmartBuy program that helped a physically challenged member purchase a car that could be retrofitted despite his limited budget. Had it not been for

these products, these lifelines would not have been possible."

"Helping members achieve financial independence through affordable alternatives, education, and wealth-building has allowed us to make a difference, one member at a time."

—Shelly Berryman, Director of Member Advocacy, Schools-First Federal Credit Union



The California and Nevada Credit Union Leagues support member credit unions in meeting their members' needs. We thank REAL Solutions for their important contributions to this effort.

Advocacy, Information, Education, Leadership

toll free 800.472.1702 | www.ccu.org/03business
California and Nevada Credit Union Leagues | 9500 Cleveland Avenue, Suite 200 | Rancho Cucamonga, CA 91730



Providing REAL Solutions for life's financial needs ...

...yet another way for Colorado and Wyoming credit unions to partner with their members and communities. We're committed to providing access to financial education, tools and services to help people live their dreams.

We salute the credit unions who are kicking off the REAL Solutions initiative for Colorado & Wyoming.

Alamosa CU
Arapahoe CU
BCS Community CU
College CU
Community Choice CU
Fitzsimons Community

FCU
Horizons North CU
Metrum Community CU
Mountain River CU
NuVista FCU

San Juan Mountains CU
SMW #9 FCU
Space Age FCU
Sunrise CU
WyHy FCU



Making a REAL Impact: REAL Solutions® Success Stories!

FLORIDA CREDIT UNION FOUNDATION



The Florida Credit Union Foundation (FCUF) is committed to working with Florida credit unions to serve the underserved. FCUF chose to be a part of this program because it is a good business decision to assist credit unions in growing their membership by tapping into emerging markets, and because it's the right thing to do!

FCUF has 16 credit unions engaged in the REAL Solutions® program. They have just finished the partnership meetings and are in the developmental stages of rolling out REAL Solutions® products.

FCUF believes Florida credit unions can make a social impact on Florida's communities by providing services to the underserved, un-banked, and low wealth and modest means households.

THE FLORIDA CREDIT UNION FOUNDATION'S REAL SOLUTIONS® CREDIT UNIONS:

Bay Gulf CU
 CFE FCU
 City County CU
 Community First CU of Florida
 Florida Central CU
 Florida Commerce CU
 Florida West Coast CU
 Grow Financial FCU
 Jax FCU
 Jax Metro CU
 Martin FCU
 Members First CU of FL
 Railroad & Industrial CU
 Sarasota Coastal CU
 Seminole Schools FCU
 Suncoast Schools FCU

ILLINOIS CREDIT UNION LEAGUE



“We are excited to see 30 credit unions sign up for REAL Solutions®,” said Dan Plauda, Illinois Credit Union League President/Chief Executive Officer. “We believe the partner credit unions will gain tremendous benefits from their involvement.”

The ICUL holds the distinction of having the highest number of credit unions participate during a particular state's first year in the program.

All 30 partners participated in a diagnostic interview with REAL Solutions® field coach Mark Lynch. The most interesting results from the diagnostic interviews include:

“The REAL Solutions® meetings have so far lived up to my expectations. The ICUL staff and Mark are doing a great job on this.”

-Mike Daugherty,
*CEO of Community Plus FCU,
 one of Illinois' REAL Solutions®
 participating credit unions.*

- ▶ Asset size for partners ranges from less than \$1 million to over \$1 billion;
- ▶ 10 partner CUs currently have a “payday alternative” loan product;
- ▶ All partner CUs want to learn more about “payday alternative” loan products;
- ▶ Five partner CUs currently offer formal financial and credit counseling programs to members, while 16 partners offer informal programs; and
- ▶ All 30 partners said “growth” is a primary business focus.

Two introductory meetings, as well as presentations on payday alternative programs and VITA (Voluntary Income Tax Assistance) programs, have been offered to date. The next meeting will address youth and young adult programs, such as in-school branches and reality fairs.



Indiana Credit Union Foundation

**Indiana Credit Unions:
Developing REAL Solutions for REAL People!**

| | | |
|---------------------------|------------------------|--------------------------|
| Afena FCU | INOVA FCU | Purdue EFCU |
| Base FCU | Kemba CU | Taper Lock CU |
| Charles St. Community FCU | Members United FCU | Three Rivers FCU |
| Community Spirit CU | NorthPark Community CU | Union Baptist Church FCU |
| Eli Lilly FCU | Pinnacle CU | Vigo County FCU |
| Finance Center FCU | Professional FCU | |

KANSAS CREDIT UNION LEAGUE



Kansas Credit Unions' Predatory Lending Alternatives

Kansas credit unions are providing REAL Solutions® to consumers dealing with the high costs of predatory lending.

Of the 14 credit unions that participated in the Kansas Credit Union Association's 2007 introduction of REAL Solutions®, five are offering a payday-like loan and eight are offering a transitional payday-like product. Many are requiring financial education, while several are serving the Hispanic market in their communities.

Among the credit unions offering a payday loan alternative is the Credit Union of Dodge City, in a town with a population of 26,000 facing 15 payday lenders. The Credit Union of Dodge City established the need to build a location separate from the credit union – Instant Cash PLUS – where consumers caught in a cycle of debt can seek solace.

While area payday lenders charge 15%, Instant Cash PLUS provides payday loans at 10%—or a special rate of 8% for meeting additional qualification requirements. The credit union's loans are unique because, unlike payday lenders, the credit union does not just provide the requested amount in all cases. Each loan request is carefully evaluated based on the true need and ability to repay. A savings and repayment plan is established, keeping in mind the financial goals and success of each member. Each member is educated through the process.

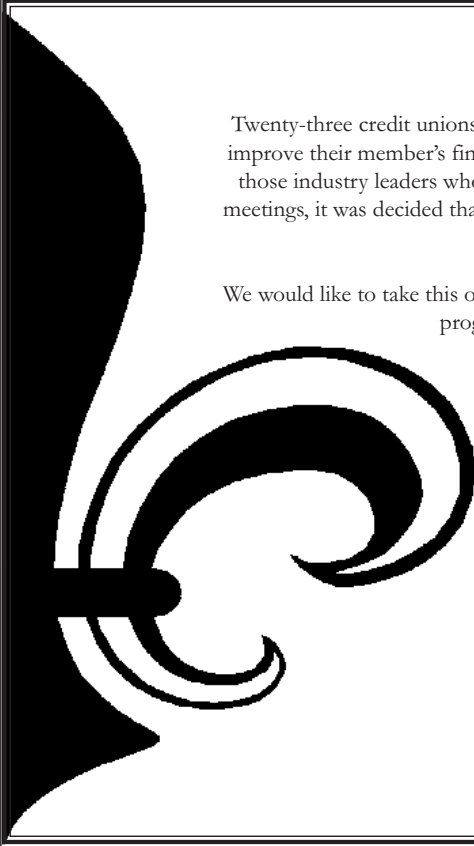
Since its inception on March 17, 2008, the credit union has made nearly 130 loans totaling nearly \$40,000 with an outstanding balance of less than \$8,300. Members have saved nearly \$2,000.

Making a REAL Impact: REAL Solutions® Success Stories!

Louisiana Credit Union League

Twenty-three credit unions throughout the state have partnered in the REAL Solutions project in order to improve their member's financial stability. Partnership meetings will be held for credit unions to learn from those industry leaders who have already developed products for low wealth households. During the early meetings, it was decided that the focus products include payday loan alternatives, reloadable debit cards, and youth/young adults.

We would like to take this opportunity to thank all of our credit unions participating in the REAL Solutions program and working together to strengthen the movement.



Real Solutions Credit Unions

- | | |
|---------------------------|---------------------------------|
| ASCENSION CU | LA DOTD FCU |
| BAYOU FCU | LOUISIANA FCU |
| CADDO PARISH TEACHERS FCU | MICHOUX CU |
| CAMPUS FCU | NEIGHBORS FCU |
| CY-Co FCU | NEW ORLEANS FIREMEN'S FCU |
| DISTRICT 05 DOTD FCU | NORTHWEST LOUISIANA FCU |
| E FCU | OLIN EMPLOYEES LC FCU |
| EAGLE LA FCU | POST OFFICE ECU |
| FOREST KRAFT FCU | SECTION 705 FCU |
| GNO FCU | SOUTHERN TEACHERS & PARENTS FCU |
| J FINANCIAL CU | UNO FCU |
| LA CAPITOL FCU | |

MARYLAND/DISTRICT OF COLUMBIA CREDIT UNION ASSOCIATION



"I would like to thank the credit union for leading me on the path to being debt free and assisting me in financing my new home."

—Felicia Craig,
Prince George's Community FCU
member

Opportunities and Obligations

The Maryland and District of Columbia Credit Union Association's (MD-DCCUA) REAL Solutions® message is to its member credit unions "Opportunities and Obligations." The first component of the message is "opportunities" available to credit unions in providing financial services to emerging market populations. Credit unions will be educated on how further outreach to unbanked consumers makes good business sense that can also enhance the credit union's overall business model. The second component, "obligations," is a call to action for credit unions to continue to serve persons who do not have access to affordable financial products and services.

The MDDCCUA REAL Solutions® program encompasses: education sessions for credit unions focused on the challenges faced and financial service needs of emerging markets; an onsite review to assist in the identification of how best to serve unbanked populations; turnkey solutions of financial products and services; and to promote financial literacy throughout Maryland and the District of Columbia through MDDCCUA and credit union-led community outreach events.

The MDDCCUA REAL Solutions® program has a potential of reaching 1.8 million underserved consumers in Maryland; in the District of Columbia, 412,839 consumers which represents 72% of the total population. The impact of the REAL Solutions® program has the potential of increasing the availability of financial services and the personal wealth of the target population.

MISSOURI CREDIT UNION LEAGUE

“Being a single parent, I often found myself short of cash – which forced me to use payday loans. Then my credit union started offering the Freedom Loan. My payment’s way less than those payday loan places, and part of the money goes into a savings account that’s actually yours once you pay off your loan – now that’s freedom!”

—Carmen Leatherberry,
St. Louis Community Credit
Union member

Missouri was the fourth state in the nation to initiate a coordinated credit union effort to meet the financial needs of underserved populations. Missouri’s flagship REAL Solutions® product is an alternative, non-predatory model for short-term “payday” type loans. Eight credit unions are offering a payday loan alternative, with most using the guidelines of Missouri’s REAL Solutions® model. In contrast with traditional payday loans, these alternatives have substantially lower interest rates and built-in measures to help consumers regain their financial footing.

In 2007, \$1.9 million was advanced on 4,300 loans at rates below our model cap of 36% and well below the national payday loan average of 371%. In one example of the program’s success, St. Louis Community Credit Union made about \$445,000 in loans to 931 members and incurred losses of just 2.7%.

The next effort in Missouri is new marketing endeavors designed for new Americans and youth accounts. Missouri credit unions are glad to provide REAL Solutions® for real people.

Become a REAL Solutions success in New Mexico

Credit unions throughout New Mexico have identified the need to better serve youth, new Americans and low-wealth households in the state in order to move forward and better serve their communities. The Credit Union Association of New Mexico (**CUANM**) is helping them do this by working to incorporate the REAL Solutions concept into their strategies for the future and put it to work in their communities. The program is already showing great success in two credit unions.



Reaching out to Hispanic market

Guadalupe Credit Union has embraced REAL Solutions in order to reach out to its untapped and under-served Hispanic market. The credit union recently opened a completely bi-cultural branch in a primarily Hispanic section in Santa Fe.

Payday alternative helps members save

Incorporating the REAL Solutions philosophy into its operations, Jemez Valley Credit Union instituted its Jemez Instant Cash Pay Day Alternative last year, and works to educate participants about the importance of budgeting and saving money. Many members are now saving more and moving toward financial freedom.

Become a REAL Solutions success

Become a REAL Solutions success story and help your credit union reach your underserved community. Contact **CUANM** at 505-298-9899, extension 2234 or via e-mail to mike@cuanm.org.



**CREDIT UNION
ASSOCIATION
OF NEW MEXICO**

Making a REAL Impact: REAL Solutions® Success Stories!

NEW YORK CREDIT UNION LEAGUE

“The opportunity for AmeriCU Credit Union to participate in the REAL Solutions® program is instrumental in helping us reach out to serve the underserved market throughout our eight-county footprint. REAL Solutions® continues to present potential opportunities and proven practices by other credit unions to attract this underserved group.”

—Lori Losowski,
Relationship Manager
Business & Community
Development,
AmeriCU Credit Union

Every day New York’s credit unions do something you might not expect of a financial institution. With every move, one person’s future becomes brighter – making the community’s future brighter too. We constantly strive to do MORE and REAL Solutions® helps credit unions help their members. Thank you to all of our REAL Solutions® credit unions.

Alternatives FCU
AmeriCU CU
Bethpage FCU
Buffalo Metropolitan FCU
Columbia-Greene FCU
Community Resource FCU
Cooperative Federal FCU
GPO FCU
Hudson Valley FCU
Local 804 FCU
Melrose CU
Mid-Hudson Valley FCU
MSBA Employees FCU
Nassau Financial FCU

Northern Corridor
Community FCU
Oceanside Christopher FCU
Oswego County FCU
Rockland EFCU
Reliant Community FCU
SEFCU
School Systems FCU
The Summit FCU
Sunmark FCU
Teachers FCU
UFirst FCU
Ulster FCU

“The alternative payday loan from generations FCU enabled me to improve my employment status, help me re-establish my credit, and get one step closer to mainstream financial responsibility.”

Texas credit unions have long expressed interest in expanding their services to ensure they are meeting all of their members’ financial needs, including those that are typically disserved by predatory and unethical lenders. As another step in this direction, many Texas credit unions have recently undertaken the REAL Solutions initiative to serve low-wealth and modest means households.

In 2008, 24 Texas credit unions signed on to deliver REAL Solutions. These credit unions are focusing on a number of REAL Solutions products and services, including:

- Payday Lending Alternatives
- VITA Sites
- Individual Development Accounts
- Financial Education
- Hispanic Outreach

Texas credit unions are committed to ensuring that all members have access to fair and prudent financial services, and REAL Solutions is providing the means to do so.

The Texas credit unions participating in the inaugural phase of REAL Solutions in the Lone Star State include:

City CU
Coastal Community FCU
Cosden FCU
DuPont Goodrich FCU
Energy Capitol CU
First Central CU
First Class American CU
generations FCU
Guardian First FCU
Kingsville Community FCU
Members Trust of the SW CU
Midland Community FCU



Mobiloil FCU
Navy Army FCU
NCI Community Development CU
New Mt. Zion Baptist Church CU
One Source FCU
People’s Trust FCU
San Jacinto Area CU
Security One FCU
Shell FCU
T&P FCU
Velocity CU
Women’s Southwest FCU



Making a REAL Impact: REAL Solutions® Success Stories!



“Credit unions have long been recognized in our communities for wearing the ‘white hats’ by providing real value to our members. We are thrilled to extend our outreach effort through our REAL Solutions partnership with the Foundation.”

*Rick Pillow
President, Virginia Credit Union League*

Virginia’s credit unions understand that despite the Commonwealth’s relatively low rate of poverty, thousands of our families still struggle to build the kind of real wealth that provides a secure financial future.

The Virginia Credit Union League is proud to have utilized the REAL Solutions platform to educate our credit unions about available products and services that make a tangible difference in the lives of member-owners, particularly our low- and moderate-wealth households and those who represent emerging markets.

Credit unions play a vital role in the economic health of our communities by providing alternatives to payday loans, mortgages for first-time homebuyers and financial education to our youth. The resources and education provided through our REAL Solutions initiative encourage and empower credit unions to make a difference in their member-owners’ lives.



Wisconsin credit unions’ REAL Solutions successes include:

- **Returning** \$176 million annually to their 2.2 million members via higher rates on savings, lower rates on loans and lower and fewer fees.
- **Granting** \$25 million in HLPR (“helper”) loans for first-time homebuyers.
- **Saving** members \$1 million via lower-cost payday lending alternatives.
- **Approving** nearly 80% of mortgages for low-income borrowers (vs. 50% for banks) and nearly 85% of mortgages for minorities (vs. 55% for banks).
- **Saving** \$16.6 million in fees for Wisconsin’s 60,190 low-income tax filers by participating in free tax preparation assistance in 2008.
- **Sponsoring** the brass|STUDENT PROGRAM, a financial education initiative featuring the lifestyle money magazine brass that supports state teaching standards. The program is provided free to all 603 of Wisconsin’s public high schools.
- **Encouraging** student savings deposits at 77 student-run credit union branches inside Wisconsin schools.



“I started out with a savings account. Now I’ve opened an IRA with the credit union. It’s helped me learn the value of saving a dollar or a penny.”

Ben Gedney, in high school, member of Point Plus Credit Union, Stevens Point, Wisconsin.