



Annual Report



2014

Self-Help Credit Union

Self-Help Federal Credit Union

Self-Help Ventures Fund

Center for Responsible Lending



Dear friends and supporters,



As we grow and welcome new members, some may wonder why we have the name “Self-Help.” It’s really very simple: we create economic opportunity to help communities help themselves.

Last year we made great progress in a number of areas:

- Provided fair and affordable financial services to more than 100,000 members
- Extended our reach with mergers in California and North Carolina

- Helped a record number of families buy homes
- Continued the fight against predatory lending, including payday loans and abuses in auto sales
- Lent \$125 million to small businesses and projects to strengthen communities
- Invested in affordable housing and downtown development

We can’t eliminate poverty in the communities we serve, but we know that low-wealth communities are rich in energy and determination. Our work is to tap into that energy through investments and services that pay off for everyone. Thank you for joining us and making progress possible.

Sincerely,

A handwritten signature in black ink that reads "Martin D. Eakes".

Martin D. Eakes
Chief Executive Officer

Creating and protecting ownership and economic opportunity for all.

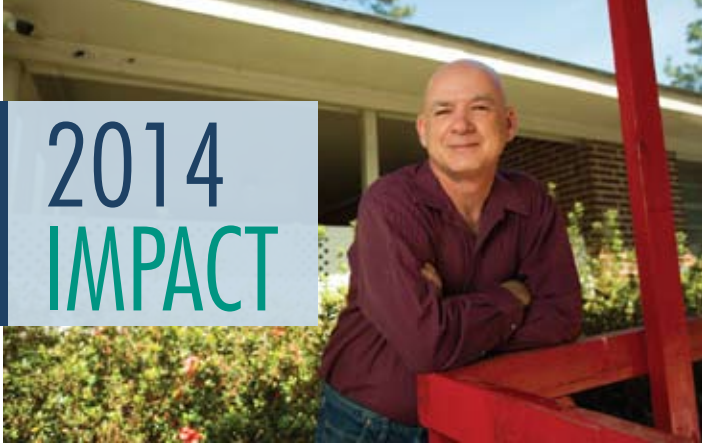


Since 1980, the Self-Help family of organizations has grown to include two credit unions, a loan fund and a research and policy group. self-help.org | self-helpfcu.org | responsiblelending.org



Some names changed throughout report for privacy.

2014 IMPACT



LENT



1,073
JOBS



\$125 million ⁱⁿ
COMMERCIAL LOANS

\$102m ⁱⁿ small businesses

\$23m ⁱⁿ community facilities

HOME LOANS
FOR 684 FAMILIES



\$942 MILLION

ⁱⁿ MEMBER

DEPOSITS



1,822 SCHOOL
OR CHILD CARE SPACES



\$30m INVESTED
ⁱⁿ COMMERCIAL REAL
ESTATE DEVELOPMENT

\$58m

ⁱⁿ CONSUMER LOANS



\$64m

FOR SOLAR PROJECTS

RESPONSIBLE FINANCIAL SERVICES



Through our network of credit unions, we provide fair and affordable financial products that help members build wealth, repair credit and achieve their financial goals.

SELF-HELP CREDIT UNION – NORTH CAROLINA

In 2014 Self-Help Credit Union celebrated its 30th anniversary! Today we serve more than 58,000 members through 19 branches and five lending offices.



Being there for growing families

When Gabe Lozano joined our Fletcher, North Carolina branch in 2006, he was one of its first members. Since then, he and his wife Erica have met their savings goals, opened a credit card and used Self-Help financing to buy a car. And when the Lozanos outgrew their rental home a few years ago, a Self-Help mortgage helped them buy a bigger home of their own, with plenty of room for all four kids.

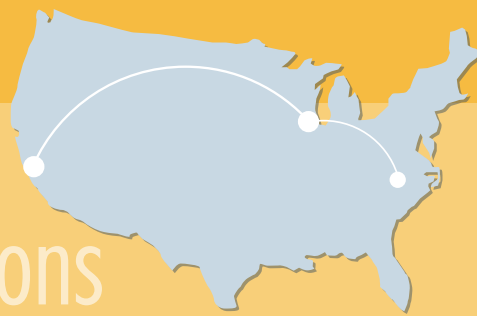


Expanding service in North Carolina

In 2014 we opened a full-service Durham branch, as a result of our merger with Generations Community Credit Union. Now we can serve more people across the state—like member Lakeisha Wilson. Lakeisha refinanced a loan with a 30-percent interest rate with our WealthBuilder product, reducing her debt and building savings at the same time.



47 locations
117,000 members



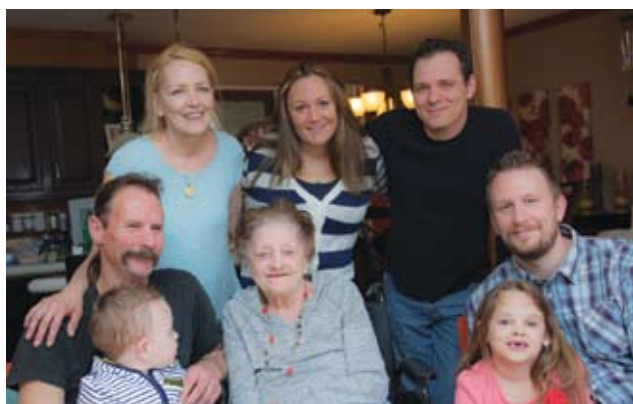
Serving More Members

North Carolina, California & Chicago combined membership



SELF-HELP FEDERAL CREDIT UNION – CALIFORNIA AND CHICAGO

Self-Help Federal Credit Union serves over 59,000 members through 23 branches. In 2014 we expanded our California presence with a newly renovated branch in San Francisco’s Mission District and a merger with Butte Federal Credit Union in northern California.



Helping families keep their homes

When Dorothy Post (top left) was diagnosed with cancer and an injury sidelined her husband from work, the couple feared losing the home they built together in 1978. Our Chicago division, Second Federal, refinanced their loan and helped them obtain \$50,000 in state assistance. In 2014 Second Federal’s foreclosure prevention efforts channeled \$1.6 million to distressed homeowners.



Getting out of debt

Growing up, teacher James Sarria watched his immigrant father struggle with debt. At college, James soon found himself in the same financial dilemma. The staff at our Mission District branch helped him consolidate his loans and get his payments under control. Now James—debt-free—helps his students’ parents learn financial management skills.

FIGHTING PREDATORY LENDING



The Center for Responsible Lending increases our impact by fighting predatory lending. In 2014 CRL defended key mortgage finance standards while fighting against other abusive lending practices.



Ending debt-trap loans

CRL continued the long battle to end abusive small-dollar loans, including payday loans. Anticipating new rules from the Consumer Financial Protection Bureau (CFPB), CRL highlighted how payday lending creates a debt trap for families, communities and even our troops.



Driving out discrimination in auto loans

CRL research and testimony highlighted car loan practices that unfairly increase costs for lower-income buyers. Both national media and policymakers took note of the issues, leading to new local and federal investigations.



Highlighting student loan abuses

Our research and advocacy helped amplify for-profit college loan abuses. CRL's report, *Who Profits from For-Profit Colleges*, documented disparate debt and default risks for students of color and served as a resource to support federal reforms.

MAKING HOMEOWNERSHIP POSSIBLE



684 families

\$81 million
in home loans in 2014

We make homeownership a reality for low- and moderate-income families by offering fair and affordable home loans and developing affordable housing.



Starting over as a single mom

Catherine Marshburn is a resourceful woman. While going through a divorce, she managed to support herself and her son on \$730 a month and kept her bills current. When she contacted Self-Help about a home loan, she qualified for a special mortgage we offer to single mothers. Today Catherine and her son live in a home they love in Garner, North Carolina.



Helping families become homeowners

After living in the U.S. for nearly 20 years and saving money earned as a restaurant manager, Alejandro Garcia and his family moved into a home of their own. He describes the three-bedroom, 1,200-square-foot house near Durham as "the right home for us." Alejandro and his wife are delighted that their four children can play on a safe, quiet street with friendly neighbors.

BUSINESS & NONPROFIT LENDING



\$125
million lent in 2014

We lend to businesses and nonprofits to create jobs, revitalize neighborhoods and build community wealth.



Creating rural manufacturing jobs

Bakers Waste Equipment produces recycling and waste equipment. When owner Ric Raines needed a new location, he found the perfect site in Lenoir, North Carolina: a long-vacant furniture plant. He moved in with help from a Self-Help SBA 504 loan and has hired 50 new employees since then. In 2014 we approved \$20 million in SBA 504 loans, in partnership with the U.S. Small Business Administration.



Promoting healthy foods and cooperative ownership

Some 1,800 families share ownership of Hendersonville Community Cooperative in Hendersonville, North Carolina. Thanks to a loan from Self-Help and partner lenders, the 35-year-old co-op completed a long-planned expansion, adding more room for produce and community meetings. In 2014 Self-Help lent \$5 million to healthy foods businesses.



Supporting mental health services

For people struggling with mental illness, getting the right support can mean the difference between homelessness and a stable, safe living situation. Nonprofit TLCS in Sacramento, California provides mental health services and supportive housing to help people with psychiatric disabilities achieve their goals. TLCS financed its Bell Street Apartments property with a Self-Help loan.



1,073
jobs created &
maintained

1,822 child care & student spaces



Expanding education options

Public charter school Arts & College Preparatory Academy (ACPA) in Columbus, Ohio is a special place. Many ACPA students came from schools where they were bullied. At ACPA, students and teachers embrace the school's strong culture of respect and acceptance for all. A \$1.8 million loan from Self-Help helped the school expand. Self-Help lent \$13 million to charter schools in 2014.



Promoting patient-centered health care

Dr. Kelly Senglar-Vitale is passionate about high-quality health care. A highly trained physical therapist, she left the corporate health care world to open her own clinic. She started Manual Physical Therapy, Inc. in Wilson, North Carolina in 2012 with her first Self-Help loan. In 2014 she expanded into Rocky Mount with her second loan from us.

REAL ESTATE DEVELOPMENT



We develop real estate projects that help communities thrive – from downtown development to affordable housing.

We prioritize green, long-term projects, and look to local communities to help guide our vision.

\$30 million invested in 2014



Bringing new life to a historic mill

After decades of partial use, Greensboro's historic Revolution Mill is coming fully alive again. Since Self-Help acquired the property in 2012, we've invested more than \$8 million to repair and revitalize the 650,000-square-foot campus. Today's office space and event center will soon be joined by artist studios, 142 apartments and creative space for small businesses and nonprofits.

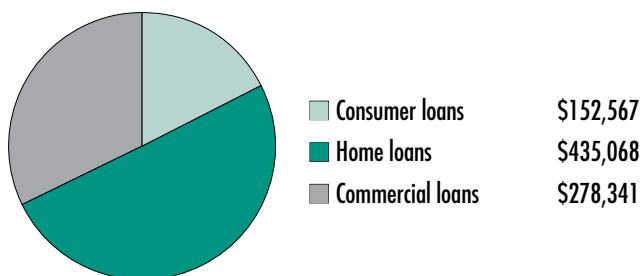


Creating space for diverse entrepreneurs

Durham's American Underground (AU) has become the center of entrepreneurial activity in downtown Durham and aims to become the most diverse start-up incubator in the world by 2016. Self-Help completed renovations of our City Center building in 2014, creating 26,000 square feet of office space for AU. Now AU is home to 200 companies, 32 percent of them owned by women or people of color.

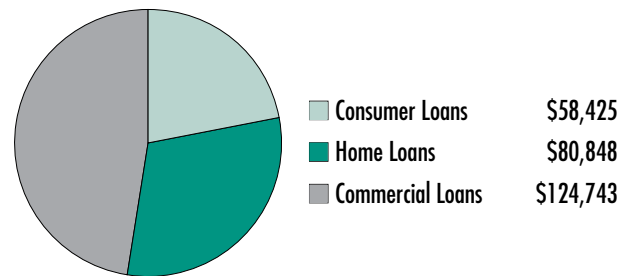
Self-Help Combined Financial Results

Loan Portfolio as of December 31, 2014



Dollars in thousands

2014 Loan Originations



Dollars in thousands

BALANCE SHEET (as of December 31, 2014)

(Dollars in thousands - unaudited)

ASSETS

Cash & Investments	383,726
Community Development Loans & Investments, Net of Reserves	1,180,707
Net Real Estate Assets	111,996
Other Assets	75,556
Total Assets	1,751,985

LIABILITIES

Reserves for Guaranteed Loans	9,354
Credit Union Deposits	941,578
Notes Payable & Program-Related Investments	252,851
Other Liabilities	42,302
Total Liabilities	1,246,085

NET ASSETS

Non-Controlling Interest in Subsidiaries	44,863
Core Net Assets & Other Comprehensive Income	461,037
Total Net Assets	505,900

TOTAL LIABILITIES, NON-CONTROLLING INTEREST & CORE NET ASSETS 1,751,985

OFF BALANCE SHEET

Guaranteed Community Development Loans & Investments	45,045
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2014 INCOME STATEMENT

(Dollars in thousands - unaudited)

REVENUE

Investment Income	1,798
Loan & Secondary Market Interest	75,728
Rental Income	10,237
Fees & Other Income	17,398
Grants & Non-Operating Gains	17,587
Total Revenue	122,748

EXPENSES

Interest & Dividends	21,196
Compensation & Benefits	36,329
Other Operating Expenses	30,903
Provision for Credit Losses	2,179
Depreciation	6,255
Total Expenses	96,862

NET INCOME

25,886



Creating and protecting ownership
and economic opportunity for all

www.self-help.org

www.self-helpfcu.org

www.responsiblelending.org

North Carolina

California

Greater Chicago

Washington, D.C.