



2020 marked 40 years of service for Self-Help.
It was a year like no other.



Ownership & Economic Opportunity for All

2020 Annual Report

Dear Members, Partners and Friends,

During times of crisis, people respond in different ways: we see the worst of humanity and we see the very best. Last year, amid terrible losses and traumas, again and again Self-Help saw the best.

We saw our partners and allies quickly respond to advocate for justice and meet urgent community needs. We witnessed the determination and resilience of our members and borrowers. And we stand in awe of our staff, who worked day and night to provide COVID-19 relief loans, to find solutions for members who were struggling to pay bills, and to provide financial services as safely as possible during a global pandemic.

In the spring of 2020, the Small Business Administration (SBA) launched the Paycheck Protection Program (PPP) to provide COVID-19 relief loans to small businesses and nonprofits. Both of our credit unions, Self-Help and Self-Help Federal, mobilized quickly to offer those loans. As of June 1, 2021, we have closed \$253 million in forgivable PPP loans, helping the businesses and nonprofits we serve to maintain 27,401 jobs.

We also continued helping members repair blemished credit, build savings and buy their first homes. Just a few highlights:

- Provided nearly \$185 million in direct loans to first-time home buyers and supported an additional \$83 million in home lending through our secondary market program.
- Opened a new credit union branch in Raleigh, NC and in DeLand, FL, and we merged with the historic First Legacy Community Credit Union in Charlotte.
- Continued our targeted lending to support projects that promote environmental sustainability, healthy food systems and high quality, mission-focused charter schools.
- Laid the foundation, with partners, for 82 affordable housing units in downtown Durham's Willard Street Apartments. We also completed sales for affordable homes in Durham's Southside neighborhood, and launched a project to renovate 58 residential properties to provide more affordable rental homes in Rocky Mount, NC.
- On the South Side of Chicago, we continued major renovation work on the historic headquarters of Seaway, a division of Self-Help Federal Credit Union. That building is now open for business, including space provided for community partners.



Martin Eakes (L) and Lewis Myers (R)

Through the Center for Responsible Lending (CRL), we had an intense focus on advocating for those disproportionately affected by the pandemic while continuing the fight for fair lending practices. Working with partners, CRL was successful in federal stimulus negotiations to strengthen PPP lending policies and provide protections from evictions and foreclosures. CRL also continued fighting for student debt relief, and had a major victory in Nebraska with allies to stop harmful payday lending.

The brutal murder of George Floyd triggered a long overdue racial reckoning in our country that has underscored the urgency of our work. It also prompted us to examine our own internal systems and practices for embedded racism. We are grateful to our staff for their important work in leading conversations, identifying training and envisioning a deeper commitment to diversity, equity and inclusion at Self-Help.

Last year we marked Self-Help's 40-year anniversary. Because of the pandemic, it wasn't possible to celebrate that occasion with a gathering of members and friends. In a year when we couldn't shake hands or give hugs, we did our best to touch many lives for the better. We are grateful to all of you who have supported us and made our work possible.

Please join us in rolling up your sleeves to be vaccinated if you haven't already, and let's keep walking arm-in-arm to build wealth and economic opportunity for all.

With warm regards,

Martin Eakes
Executive Director/CEO,
Center for Community Self-Help

Lewis Myers
Board Chair,
Center for Community Self-Help



PPP recipient Kiddie World Child Development Center in Windsor, NC. A PPP loan kept the Center running and helped local parents continue working.

Relief for Small Businesses and Nonprofits

Our PPP Impact in 2020

(Self-Help Credit Union and Self-Help Federal Credit Union)

- 1,758 loans made for \$183,000,000
- 20,000 jobs maintained
- \$20,830 median loan amount
- 63% of loans made to entities run by people of color
- 66% of loans made to nonprofits

This PPP program built on years of work we have done making SBA 504 loans to small businesses. In addition to the PPP relief loans, in 2020 we continued our regular SBA 504 lending to help provide affordable capital to small businesses, create jobs and support manufacturing growth. As an update, we have closed \$253 million in forgivable PPP loans as of June 1, 2021, helping the businesses and nonprofits we serve to maintain 27,401 jobs.



Self-Help staff in Apopka, Florida take precautions during a training session.

Continuing Financial Services While Keeping People Safe

Our top priority in 2020 was the safety and well-being of members and staff. Here are just a few steps we took:

- Limited contact in our branches and enhanced options for accessing financial services from home.
- Refunded or eliminated many of our typical credit union fees, saving members more than \$500,000.
- Supported staff with work-from-home policies where possible and paid time off for childcare or sickness.

We continued services to meet everyday but essential needs like car loans, financing for unexpected personal expenses and assistive technology loans for people who need equipment to manage physical disabilities. We also continued our work to build financial empowerment, working hand-in-hand with members seeking to boost their credit scores and prepare for homeownership.



Stacey Cotton of Tarboro, NC spent years preparing for homeownership. Now a newlywed, she and her husband Travis enjoy having a place of their own.

Preserving and Expanding Homeownership

- \$184,000,000+ in direct home loans
- 98% of direct home loans to people of color
- \$83,000,000 in mortgages purchased in the secondary market

In a typical year, Self-Help purchases large volumes of mortgages from other lenders to encourage them to make more loans to families with lower wealth. In 2020 when COVID-19 struck, we had to quickly pivot to preserving homeownership when many of our existing homeowners were at risk of losing their homes.

We focused on helping homeowners most impacted by the pandemic by offering mortgage payment pauses (forbearances) when possible. Self-Help's share of forbearances was more than double the industry average, allowing more people to stay in their homes.



A Self-Help loan to the Women's Building of San Francisco helped them continue providing food and other essential services during the pandemic.

Making an Impact — Commercial Loans

- 1,881 commercial loans made, including PPP loans
- 60% of loans made to people of color
- 177 affordable housing units created or preserved

We make commercial loans designed to have a broad, positive community impact. In 2020, our commercial loans went to entities such as a service-focused Hispanic church, a high-quality childcare center and a high-performing charter school.



The headquarters of Seaway Bank, a division of Self-Help Federal Credit Union, underwent major renovations in 2020, continuing its legacy of service on the South Side of Chicago.

Building Community — Real Estate Loans

In addition to \$20.3M investment in real estate in 2020, we were partners in an approximately \$17M affordable housing development adjacent to downtown Durham's major public transit hub. We also completed sales for affordable homes in another high-cost area of Durham, the historically Black Southside neighborhood.

On the South Side of Chicago, we continued major renovation work on the headquarters of Seaway, a division of Self-Help Federal Credit Union. That building is now open for business and is also providing office and community space for partners.



CRL and Self-Help staff are active advocates in South Carolina, where we are working with the SC Fair Lending Alliance to stop debt-trap lending with triple-digit interest rates.

Advocating for Fair Lending Practices

Since 2002, Self-Help's advocacy and policy arm, the Center for Responsible Lending (CRL) has been working to stop predatory lending practices that erode family wealth. CRL's work focuses on those who may be marginalized by lenders or targeted for unfair and abusive financial products. This includes people of color, women, veterans and active military members, seniors, rural residents, and low-wealth families and communities.

In 2020, CRL and partners had a number of successes:

- Documented racial disparities in the PPP loan program and successfully advocated to improve its shortcomings.
- Fought for policies to expand fair, sustainable homeownership.
- Stood up for student debt relief.
- Worked in several states to help stop debt-trap lending, and supported a successful initiative in Nebraska to cap annual interest rates at 36%.
- Signed on nearly 1,700 groups and individuals to key CRL policy positions.

OUR IMPACT: 1980 - 2020



LOANS TO:

82% Low-Income Borrowers

28% Rural Communities

40% Women

64% People of Color

70% Underserved Areas

85,695 SCHOOL OR CHILDCARE SPACES

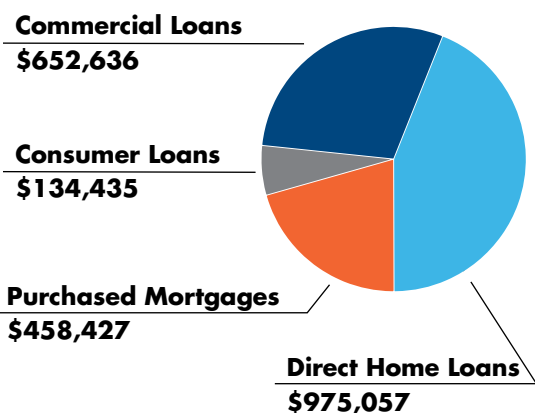
69,155 JOBS CREATED OR MAINTAINED

\$1.329 BILLION IN DIRECT HOME LOANS

\$1.891 BILLION IN COMMERCIAL LOANS

2020 FINANCIAL RESULTS

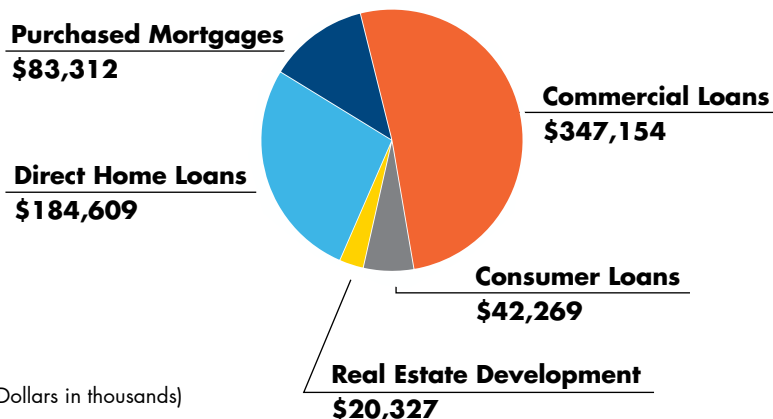
LOAN PORTFOLIO AS OF 12/31/20



(Dollars in thousands)

2020 COMMUNITY INVESTMENTS

Loan Originations/Purchases and Real Estate Development



(Dollars in thousands)

Balance Sheet as of 12/31/20

Assets

Cash & Equivalents	\$640,460
Loans & Current Assets, Net of Reserves	2,546,570
Net Real Estate Assets	267,571
Other Assets	49,246
Total Assets	\$3,503,847

Liabilities

Reserves for Guaranteed Loans	\$37,273
Credit Union Deposits	2,053,935
Notes Payable and Program-Related Investments	355,803
Other Liabilities	244,548
Total Liabilities	\$2,691,559

Net Assets

Non-Controlling Interest in Subsidiaries	\$66,011
Core Net Assets & Other Comprehensive Income	746,277
Total Net Assets	\$812,288

Total Liabilities, Non-Controlling Interest & Core Net Assets

\$3,503,847

Off Balance Sheet

Guaranteed Community Development Loans & Investments	\$1,035,801
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2020 Income Statement

Revenue

Investment Income	\$1,503
Loans & Secondary Market Interest	132,917
Rental Income	21,290
Fees & Other Income	20,275
Grants & Non-Operating Gains	57,794
Total Revenue	\$231,724

Expenses

Interest & Dividends	\$36,000
Compensation & Other Benefits	61,154
Other Operating Expenses	52,389
Provision for Credit Losses	15,046
Depreciation	11,572
Total Expenses	\$176,161

Net Income

\$55,563

(Dollars in thousands - unaudited)



Ownership & Economic Opportunity for All

Thank you for reading this abridged version of our annual report. A longer version, including videos and more stories, is available online at www.self-help.org/ar/2020.

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Select PPP photos courtesy of Joey Seawell, Nate Abraham Jr. for Carolina Panorama Newspaper, and The Women's Building