Amplifying Impact:
Lending + Counseling
Speakers

Sarah Sable
Chief Program Officer, Neighborhood Trust Financial Partners

Andrea Heller
Money$ense Program Manager, Opportunities Credit Union

Gina Perez-McNeal
Director of Financial Education, Border FCU
The Opportunity for Inclusion

*Low-income families are financially insecure and excluded*

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<th>US HOUSEHOLDS:</th>
<th>FINANCIAL SERVICE LANDSCAPE:</th>
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<td>56% have sub-prime credit scores less than 620</td>
<td>73% of Americans do not trust banks</td>
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<td>44% have less than $400 savings available for an emergency</td>
<td>Average Black household needs to keep 60% of paycheck in bank account to meet minimum balance requirement</td>
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<td>27% are unbanked or underbanked</td>
<td>Consumers pay up to 500% APR to payday lenders for short-term credit</td>
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Pathways to financial empowerment

Pathways realizes financial inclusion by connecting individuals to financial products with the support of technology-driven financial counseling.
Pathway’s Solution

**Combine technology-supported financial counseling with financial products** in our national credit union network to **increase financial health and inclusion** in low-income communities.

- Integrate best-practice financial counseling with affordable financial products.
- Achieve and measure impact for members and the credit union on a central platform.
- Leverage technology and behavioral economics to improve delivery and achieve financial health outcomes.

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2018 ANNUAL CONFERENCE
Who We Serve

Pathways credit unions are serving a large and vibrant part of the economy: 68% of clients in Pathways are people of color and 62% are women.

90% of the Pathways clients are low-income individuals, many of whom live and work in distressed communities.

More than half (56%) of Pathways clients arrive at counseling with subprime credit.

More than half (58%) have household incomes under $30,000. Their median savings balance is $30 USD.
Pathways Results

• 58% of clients improve their credit score by an average of 38 points
• 59% of clients reduce accounts in collections by an median amount of $722
• 30% of Pathways clients take a loan out after counseling
  • Median income: $28,000
  • Median Credit Score: 593
  • 64% are personal loans with an average loan size of $3,200
  • 20% of loans are auto loans with an average loan size of $15,300
  • 15 day delinquency rate for loans at least 6 months old is 3%