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**COMMUNITY
IMPACT REPORT**



FreedomFirst

Credit Union

helping people prosper

HISTORY

Founded in 1956, Freedom First Credit Union is a financial institution, owned and controlled by its members and operated for the purpose of providing access to affordable, equitable financial and development services to its members and the communities in which they reside.

MISSION

Helping People Prosper

Our talents and resources help you achieve financial prosperity.

Our mission statement summarizes our commitment to financial inclusion and in providing asset building opportunities to the membership and our local communities.

We recognize the strong demand that exists for the financial and development services we offer. We are committed to building a sustainable financial institution with the capacity to provide viable solutions to our membership and our local communities. In other words, our primary mission is promoting community development.

COMMUNITY CREDIT UNION

Credit Union membership is open to anyone living, working, or going to school in Roanoke, Botetourt, or Montgomery County including the cities of Roanoke, Radford, Salem, and the town of Vinton.

access affordable financial services

IMPACT BANKING

Helping people prosper is more than just our mission statement; it's at the heart of everything we do. It's who we are, and it's making a positive impact in the lives of thousands in our local community.

We believe everyone should have access to affordable financial services, including those in the local community that are underserved by traditional banking products. This belief inspired us to create Impact Banking, a set of unique products and services to help those typically abandoned by banks as "unprofitable" achieve their personal and financial goals.

Impact Banking Products

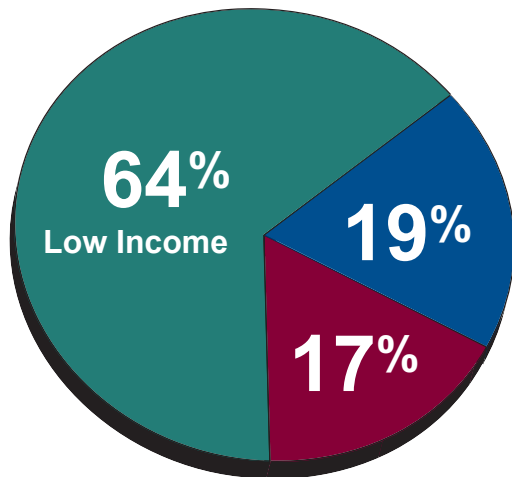
- Free Checking
- Savings
- Payday Alternative Loan
- Credit Builder
- Micro Loans
- Credit Cards
- Home Loans

Impact Banking Programs

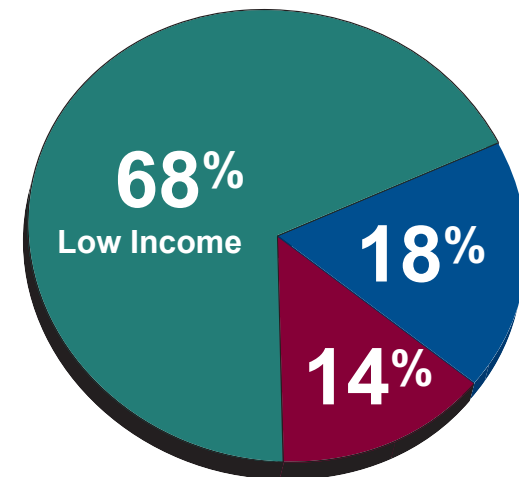
- Community Grants
- Financial Education
- VITA Tax Program
- Responsible Rides

4,315

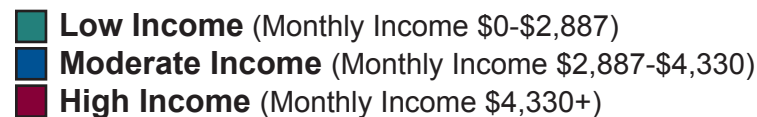
Local Consumers Joined Freedom First Credit Union In 2010



2010 New Member Accounts



2010 New Checking Accounts



* Monthly Income Brackets calculated from HUD Guidelines; Low (< 80% AMI), Moderate (81%-120% AMI) and High (> 120% AMI)
80% of AMI (Area Median Income) adjusted for 1 person is \$ 34,650 for the Roanoke MSA-(US Dept. of HUD 03/2009)

** Accounts analyzed are for non-group accounts and for members that are 17 years of age and older. 937 accounts in 2010 did not furnish income data.

Micro Loan Program

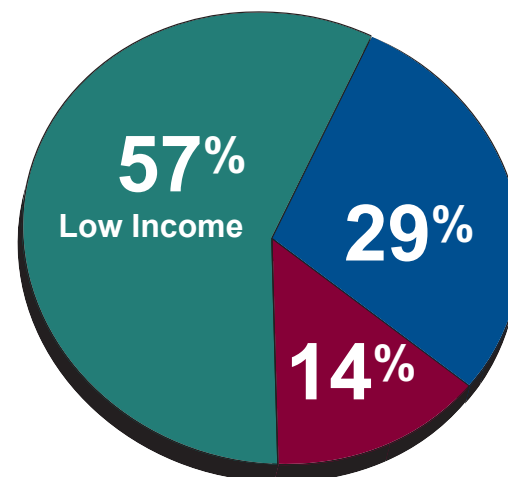
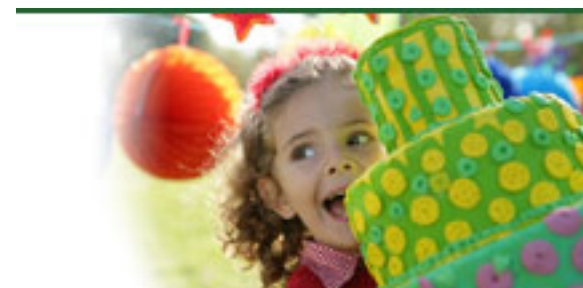
Although the loan amount may be small, the positive impact can be enormous.

Unlike most banks, that do not offer micro loans (personal loans less than \$3,000) due to the lack of profit generated, we do things differently.




We recognize the positive impact a micro loan can have on an individual's quality of life. This is a perfect example of how our business decisions are based upon helping our members achieve financial freedom.

471 Micro Loans Were Issued In 2010

\$1,513 Average Micro Loan



Micro Loans

-  **Low Income** (Monthly Income \$0-\$2,887)
-  **Moderate Income** (Monthly Income \$2,887-\$4,330)
-  **High Income** (Monthly Income \$4,330+)

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Payday Alternative Loan

Sometimes the unexpected happens, and having cash on hand before payday can help.

The payday lending cycle can make matters worse, not better. High interest and fees can turn a temporary crisis into an ongoing problem. Freedom First offers a smart alternative to payday lending with the Payday Alternative Loan.



Freedom First Credit Union was the first local financial institution to offer an alternative payday loan.



142

Payday Alternative Loans Were Issued In 2010

\$14,698*

Total Savings For All Borrowers

\$249*

Average Savings Per Borrower

* The source for the interest and term for this payday lending analysis can be found at the National Credit Union Foundation's REAL Solutions – Impact Center, www.realsolutions.coop

Credit Builder Loan Program

Helping our members improve their credit and start saving.

With Credit Builder, our members can obtain a loan advance from \$500 - \$1,500. The loan proceeds are then placed in a secure Credit Union account until the loan is repaid. Upon repayment of the loan, the member receives the loan proceeds. Making regular payments on time allows members to potentially improve their credit score and establish a savings plan.

48

**Points the Average Borrower
Improved Their Credit Score**



43

Credit Builder Loans Were Satisfied In 2010

\$27,770

Total Amount Saved

Responsible Rides Program

**RESPONSIBLE
RIDES**

The Responsible Rides Program is a unique partnership between: Freedom First Credit Union, Freedom First

Insurance, Total Action Against Poverty, New River Community Action, and Enterprise Car Sales.

For low-income working families, car ownership can mean the opportunity to earn a higher wage, obtain better employment, spend more family time together, and have access to more choices in terms of housing, schools, and social activities—together helping create a better quality of life and financial independence.

With the Responsible Rides program, affordable car ownership can be a reality for many local low-income working families.

Responsible Rides is available to those living in Roanoke or New River Valley whose household income is at or below 200 percent of the poverty level. Other requirements in the program include successful completion of three hours of free financial education and attendance of a two-hour vehicle maintenance class.



Ms. Quandra Bonds, the first Responsible Rides vehicle owner.

51 Low Income Working Families Gained Affordable Car Ownership In 2010

\$17,945

Average Income of Responsible Rides Recipient

Recipient of Responsible Rides Program

73% & **94%**
Single Parent Female

Financial Education

Free seminars throughout the community to help people find their financial freedom.

We offer a wide variety of FREE financial education material focusing on basic money management, debt reduction, understanding credit, and fraud prevention.

We Care About Our Community.

We've developed FREE educational classes for many nonprofit agencies, schools, and local businesses in the Roanoke and New River Valley areas.

1,763

Individuals Received Free Financial Education
From Freedom First Credit Union



Money Mondays – Roanoke.....	97
Money Mechanics – New River Valley	13
VA Western Community College College Success Skills Class	44
1:1 Budgeting Counseling Sessions.....	7
Reality Store Program (VA Coop Extension) VA Western Community College	66
Basic Financial Education Class Radford High School	26
Junior Achievement Area Schools Financial Education.....	828
Western VA Regional Jail Financial Education Life Skills	155
Virginia Polytechnic Institute & State University Cranwell International Center	45
Engineering Economics.....	350
NRVCS – New Life Center	27
RRHA – Villages at Lincoln Class.....	6
Total Action Against Poverty Responsible Rides Financial Education Class	67
Head Start – Parents Class	32

MONEY 
MONDAYS
SIMPLE • MONEY • SKILLS

MONEY 
MECHANICS

Commitment to the Local Community

We're strongly committed to the local community. After all, we live in the same area we work in.

2010 Community Work Day

Over 120 employees of Freedom First Credit Union were hard at work on October 11, 2010, helping the local nonprofit community.

Each year Freedom First Credit Union organizes an annual "Community Work Day" as a way of recognizing the value nonprofit agencies directly provide in improving the lives of area residents.

2010 Community Work Day Agency List

Roanoke Valley:

Angels of Assisi, West End Center, Refugee Immigration Services, Rebuilding Together, Salvation Army -Angel Tree Program, Child Health Investment Program, and Greenvale School.

New River Valley:

Women's Resource Center and Montgomery County Emergency Assistance Program.



Commitment to the Local Community

2010 Non-Profits Served By Our Employees

Total Action Against Poverty
Non Profit Resource Center
Council of Community Services
Roanoke Regional Housing Authority
New River Valley Community Services
Young Life – Botetourt County
Relay for Life
Juvenile Diabetes Research Foundation
Virginia Polytechnic Institute and State University
Virginia Western Community College
VA Cooperative Extension
Child Health Improvement Program of the Roanoke Valley (CHIP)
Southern Care Hospice
Blacksburg Food Bank
The Christmas Store – Montgomery County
Hurt Park Elementary School
Mt. Pleasant Elementary School
Oak Grove Elementary School
South Salem Elementary School
GW Carver Elementary School
Hidden Valley Middle School
Northside Middle School
American Heart Association



1,753

Total Community Service Hours Performed By
Freedom First Credit Union Employees In 2010

Community Donations

Investing in Sustainable Solutions for Worthwhile Causes

We support community-based organizations in their efforts to break down barriers, enable people to fully participate as local citizens, and provide opportunities to help families achieve economic success and a better quality of life. The projects we fund give special consideration to low-income working families.



NON-PROFIT ORGANIZATIONS SUPPORTED IN 2010

2010 Community Involvement Grants

The Jefferson Center
Blue Ridge PBS
Intellectual Disabilities Agency of the NRV
Rebuilding Together – Roanoke
Better Beginnings Coalition of the Roanoke Valley

2010 Student Scholarships

Frank Turk Scholarship
– Mr. Eli Adam Edwards (Salem H.S.)
Charles Perkins Scholarship
– Ms. Jacqueline Lorraine Jordan (Salem H.S.)
Charles Perkins Scholarship
– Mr. Benjamin Willis (Lord Botetourt H.S.)
Fritz Kehn Scholarship
– Mr. Lucas Tyree (Northern Arizona University)
Torie Phillips Memorial Scholarship
– Mr. Andrew McLucas (Lord Botetourt H.S.)

2010 Community Donations

NRV Economic Development Alliance
Hokie Club Scholarship Fund
Veterans of Foreign Wars
Legal Aid Society
Junior Achievement
American Heart Association
YoungLife – Botetourt County
Boy Scouts of America
Angels of Assisi
Roanoke Refugee & Immigration Services
Child Health Improvement Program of the Roanoke Valley (CHIP)
West End Center
Montgomery County Emergency Assistance Program (MCEAP)

Community Donations

\$63,905

Total Donations To The Community In 2010

(This includes both monetary and time donations.)

Community Organization Donations	\$ 5,830
Scholarships	\$ 7,000
Community Investment Grants	\$ 15,000
Community Work Day (staff time & materials)	\$ 21,234
Freedom To Serve Hours:	
Employee Hours Utilized (297 hrs x \$19.04)	\$ 5,654
Executive Service To Non Profits (393 hrs x \$19.04)	\$ 7,482
Financial Education Hours Served (89.5 hrs x \$19.04)	\$ 1,704