

LOAN MANAGER'S REPORT 2021

Well, 2020 has been something else! As a community we have struggled, learned, and grown. As consumers, and as human beings, we have experienced things that we never imagined experiencing in our lifetime. At Upward Credit Union we have remained steadfast in the credit union philosophy of people helping people.

Our members continued to reach out to us for guidance and resources for their financial well-being. They entrusted us with their savings in an uncertain cash flow environment. In turn, when members choose us for their loan needs, that really brings it all full circle. We are proud to have been able to conduct loan promotions for interest savings, as well as loan programs for COVID relief, to really reach our community when they needed it most. To make that happen, it required the dedication and diligence of an incredibly nimble and efficient staff who genuinely supports the credit union movement and mission to serve. Like you, they too adjusted their lives at a moment's notice to maintain that stellar member service.

The Loan Department has a staff of 2 full time loan officers and 1 part time collector. Our lenders are committed to evaluating each application as it is presented, taking into consideration the borrowers' unique circumstances. This process allows us to find the most suitable products and services to serve our members' needs while also providing the opportunity to educate using our knowledge and resources. Consumer lending has gone completely digital, allowing us to provide our best levels of service, anytime and anywhere our members need it. Our collector is also dedicated to working one-on-one with our members who are up against financial challenges when repaying funds borrowed.

In 2020, the loan department processed close to 800 loans and funded over \$12m, with an average approval rate of 68%. We saw over 250 auto loan applications and almost 100 unsecured loan applications. Overall growth in lending was challenging in 2020 due to many factors, including the obvious. The pandemic caused a major shift in how people saved, borrowed, and spent, with far less applications coming in for new loans. With income being affected the way it was for many of our members, borrowing was not necessarily a priority or need. As an organization we focused on ways to improve our members' financial situations. We offered loan promotions to bring loans that members already had elsewhere over to Upward CU for big savings! We offered discounts on new loans, to provide a source of hope to members needing it in this most challenging time.

We were able to assist over 200 members with their loan payments through deferral programs or by proactively encouraging members to utilize the unemployment benefits on their loans. Our collector maintained the Credit Union's delinquency ratio under .50% throughout the year, which is well below the average delinquency ratio of our peer group at .81%. These phenomenal numbers come at a time in which our members experienced setbacks and hardships greater than we have ever seen.

As we leave 2020 in our rear view, we continue to look for ways to enhance the experiences of our members. Now that our members have gotten through what we hope to have been the worst of the COVID impact, we refocus our efforts on helping their finances soar to new heights.

Respectfully submitted,

Natalie Del Sarto
VP of Member Experience