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**St. Louis Community Credit Union and Prosperity Connection Launch
Wealth Accumulation Center in Benton Park**
*Facility provides access, education and payday lending alternatives
for the economically vulnerable*

St. Louis, Missouri, June 13, 2017 – St. Louis Community Credit Union and its non-profit partner affiliate Prosperity Connection® have come together to help low-income residents avoid the high-cost pitfalls of predatory lending. The South City Wealth Accumulation Center (WAC) is a multi-use facility that provides financial capability, affordable alternatives to payday lending and financial education all under one roof. This is the second of its kind in the St. Louis area.

The South City WAC is located at 2828 Gravois Avenue in the Benton Park West neighborhood. It aims to build wealth among area residents, foster economic growth in the community and create hope for youth and families by addressing expensive payday lending and other alternative banking services (check cashers, payday lenders, etc.) head on.

“We’ve found that when people lack resources – whether financial or otherwise – they lack options,” said Patrick Adams, CEO, St. Louis Community Credit Union. “Low-income individuals are affected most. As a result, they fall victim to high-cost predatory lenders and other alternative financial services that strip wealth from the household. The WAC is an innovative

solution to that problem. We stand in the gap with our partners at Prosperity Connection to help those who need us.”

The WAC provides a new way for consumers of every economic background to access affordable financial services and increase their financial knowledge. It houses an Excel Center® for free financial coaching and classes, a RedDough Money Center® for affordable payday loans and alternative financial services and a small full-service St. Louis Community Credit Union branch. Together, these three elements create a pathway to financial stability by offering both the knowledge and tools necessary to build individual financial confidence and capability.

“Financial capability and capacity boils down to equipping people with knowledge to manage their finances effectively and connecting them to resources that help them realize their goals,” said Paul Woodruff, Prosperity Connection’s Executive Director. “Through the WAC, our financial educators and coaches work closely with individuals and families to provide real solutions to put them on a pathway to financial freedom. Whether it’s creating a budget or establishing credit to buy a home or car, sometimes we all just need a little encouragement. That’s what we exist to do.”

The Ferguson Commission specifically recommended that to address systemic issues of economic inequity, organizations should work to deploy economic empowerment centers. Adams and Woodruff both served on the Ferguson Commission’s Economic Inequity and Opportunity Subcommittee. The WAC is another realization of this call to action to fight poverty and inequity in the St. Louis region.

The WAC presents a holistic approach to financial empowerment through:

- **Free Financial Education and Coaching: Excel Center®.** At the heart of every Excel Center lies free opportunities to the community for one-on-one financial coaching and group classes on topics ranging from building credit to home buying. Participants are also able to gain access to resources through community fairs and referrals to partners who are able meet other life needs.

Alternative Payday Lending Services: RedDough® Money Center. RedDough Money Center, owned and operated by Prosperity Connection, is a non-profit alternative to payday lending and check cashing services. It provides consumers a lower-cost option for services. RedDough features accessible, safe and affordable financial products and services, including check cashing, short-term loans, bill pay, money orders, prepaid debit cards, money transfers and more. In its first month of business, RedDough processed 17 loans totaling \$11,300, and cashed six checks totaling \$1,209.52.

As a non-profit, RedDough offers similar services at a much lower cost – thus keeping more money in the consumer’s pocket. For example, RedDough’s Helping Hand Loan is a short-term installment loan that allows consumers to receive up to \$1,000 at a

maximum 36% APR. The repayment period is six to nine months. This is in stark contrast to the industry average of 452% APR.

RedDough reinvests the money it earns back into the community to support financial education and social services available at the on-site Excel Center®. This support cycle helps build a stronger community. The RedDough business model has gained recognition as an innovative solution in financial services by the St. Louis Regional Chamber at the Arcus Awards and as an honoree by FOCUS St. Louis for their What's Right with the Region Awards.

- **Convenient Mainstream Banking: A St. Louis Community Credit Union Service Center.** This walk-in St. Louis Community location offers the next generation of service through a standalone Interactive Teller Solution (ITS) unit – a fast and convenient way for members to do their banking. This technology is currently featured at the Credit Union's Midtown, Ferguson, Gateway, St. John and Pagedale branches. Since opening, the Benton Park location has processed 555 ITS transactions, opened 33 new accounts and closed eight loans totaling \$4,200. Small-dollar loans such as these are welcomed forms of relief to the economically vulnerable – especially during times of need (unexpected car repairs, putting food on the table, etc.).

The Credit Union delivers this service as part of its overall giveback to the community, adding further convenience to the mainstream banking process. As a Community Development Financial Institution, St. Louis Community Credit Union seeks to offer additional community resources outside of traditional mainstream banking that reach to the underserved. The Credit Union recently partnered with Operation Food Search's Summer Food Service Program. The new Benton Park location also serves as a distribution outlet for free, healthy, nutritious food for area children Monday through Friday from 3:30-4 p.m.

Both the Credit Union and Prosperity Connection aligned with their banking partners to help launch the Wealth Accumulation Center. Last fall, the Credit Union announced that U.S. Bancorp Community Development Corporation (USB CDC), a subsidiary of U.S. Bank, invested \$1.3 million in federal New Markets Tax Credit equity to support this new location, as well as the St. Louis Community Credit Union Gateway branch in north St. Louis City.

Prosperity Connection has received close to \$250,000 in donated funds from U.S. Bancorp, TIAA Direct* and St. Louis Community Credit Union to operate the RedDough and Excel Center areas of facility and further community impact:

- \$150,000 – St. Louis Community Credit Union (RedDough operations)
- \$40,000 – U.S. Bancorp Community Development Corporation (Excel Center Coach and RedDough Operations)
- \$65,000 – TIAA Direct* (Excel Center Coach and operations)

In addition, Prosperity Connection secured a \$500,000 loan fund from Enterprise Bank & Trust to support loans and products at RedDough.

With the completion of the South City Wealth Accumulation Center, St. Louis Community Credit Union now has a branch within two miles of 98% of residents within the City of St. Louis. To learn more about St. Louis Community Credit Union and Prosperity Connection, visit www.stlouiscommunity.com and www.prosperityconnection.org.

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*TIAA Direct is a trade name of TIAA-CREF Trust Company, FSB.

About St. Louis Community Credit Union

Credit unions are not-for-profit financial cooperatives, owned by their members. St. Louis Community Credit Union has more than \$250 million in assets and serves 53,000 members.

As part of its giveback to the community, St. Louis Community Credit Union offers affordable account services and loans, locations in underserved communities and free, hands-on financial education. St. Louis Community Credit Union provides a variety of consumer financial services, including checking accounts, ATMs, credit and debit cards, new and used vehicle loans, real estate loans, unsecured lines of credit, savings products, online banking and more. All accounts are federally insured to \$250,000 by the National Credit Union Administration, a deposit-insurance agency of the federal government, and privately insured up to an additional \$250,000 by Excess Share Insurance. St. Louis Community Credit Union is recognized as a Community Development Credit Union (CDCU), a Community Development Financial Institution (CDFI) and a Low-to-Moderate-Income Credit Union as designated by the National Credit Union Administration. For more information, please visit www.stlouiscommunity.com.

About Prosperity Connection

Prosperity Connection is an independent 501(c)(3). Since 2009, the organization has successfully helped individuals and families earn economic independence through financial education, community services and low cost banking options in an effort to improve their standard of living and better their lifestyle. Prosperity Connection consists of two outreach entities: the RedDough Money Center (a non-profit alternative to payday lending and check cashing services) and the Excel Center (a destination point for free financial education and one-on-one financial counseling). For more information, please visit www.prosperityconnection.org.

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