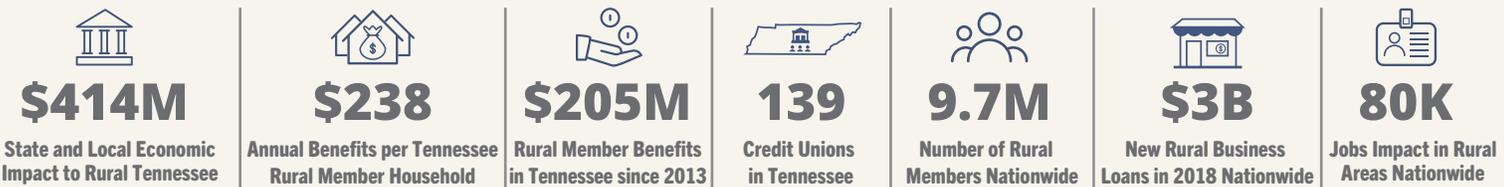


TENNESSEE CREDIT UNIONS ADVANCING RURAL COMMUNITIES - ONE MEMBER AT A TIME

Credit Union Impact HELPING THOSE WHO NEED IT MOST

Now, more than ever, rural communities need to be prioritized. America's rural areas already suffer from more limited job opportunity, low population growth and disproportionately high poverty rates. According to recent USDA data, **rural populations nationwide are 30 percent more likely to be living in poverty than metro area populations.** These communities increasingly need support from a variety of partners and tools including government, healthcare, and finance.

Credit unions are not-for-profit financial institutions that are dedicated to serving their members, regardless of location or socioeconomic background. As of June 2019, **almost one-fourth of all credit unions are headquartered in rural areas**, making them uniquely positioned to serve rural communities by providing capital infusions, loans for education, and trusted advice. Credit unions, like the 139 in Tennessee, provide jobs to areas that need them, help stimulate the economy, and provide savings for those in need.



The Credit Union Difference A VITAL RESOURCE FOR RURAL TENNESSEE

Credit unions are not-for-profit, member-owned, and community-centered financial institutions whose priority is to serve their members and help them reach their financial goals. Where rural America faces challenges, **credit unions have stepped in to provide these communities with funding, dedicated financial services, and tools to enable better decision making that will provide long-term financial security.** As a result, rural based Tennessee Credit have seen an increase of 25.2 percent in membership since 2013 – while the state's rural population increased by only 1.9 percent over that time.



Because of their not-for-profit structure, credit unions are able to return earnings to their members, rather than sending profits to a small group of investors – as banks do. Credit unions offer members lower loan interest rates, higher savings yields, and fewer and lower fees – which are all the more vital for rural residents.

¹ Census Bureau ² NCUA/CUNA

Credit Unions MEETING THE UNIQUE NEEDS OF RURAL POPULATIONS

Since 2013, credit union loans in rural areas have outpaced their rural bank counterparts. Credit unions offer better rates on a variety of loans including new and used automobiles, credit cards, first mortgages, home equity loans, commercial loans, student loans, and other unsecured loans.



FACT:

Compared to banks, not-for-profit credit unions locate a higher percentage of branches in lower-income and modest means areas.

They are providing more comprehensive services that will help stabilize the rural economy – by giving residents access to important capital and financial literacy tools for long-term financial stability for generations of rural residents.



BANKS

Compared To



CREDIT UNIONS

- ▶ Banks have closed more than 11,000 branches since the Great Recession. (FDIC)
- ▶ Nearly 90 banking deserts have been created as a result of bank closures and failures. (NCRC)

- ▶ Since 2013, rural credit union membership has grown rapidly - more than 15 percent in 6 years.
- ▶ As of June 2019, rural credit unions serve 9.7 million members – over one-fifth of the nation's rural population.
- ▶ Credit unions invest in the rural communities they serve – through volunteer work and sponsorships for schools, sporting venues, and more.
- ▶ Over 2.3 million credit union members in Tennessee-providing over 2,400 jobs annually.

CREDIT UNIONS ARE PROVIDING MORE:



Access
to Financial Services



Reinvestment
in Communities



Financial
Education and Training

FACT:

For every \$1 in taxes, rural credit unions deliver \$10 dollars in financial benefits back to the local community.*

In 2018, rural credit unions accounted for \$1.1 billion in federal tax revenue and \$583 million in state and local tax revenue.

* 2018 Estimate. Source: Datatrac, NCUA

Positive Impact

CREDIT UNIONS ON RURAL COMMUNITIES

- ▶ Provide member-directed financial services to communities that are traditionally underserved.
- ▶ Offer lower loan rates for consumers, which is especially beneficial in rural populations, who face higher than average financial burdens.
- ▶ Reinvest profits into the members and communities they serve.
- ▶ Provide more opportunities for students to obtain education loans for trade school and college degrees.
- ▶ Expansion of credit unions in rural areas means more money stays in local communities with benefits returning directly to members.
- ▶ More than \$200 million in total benefits among Tennessee credit union members since 2013.

TENNESSEE
Credit Union League

For more information about credit unions and how they are working to serve you, visit the Tennessee Credit Union League at <http://www.advancingtncommunities.org/>