

CDCI ANNUAL USE OF CAPITAL SURVEY - 2013



NAME OF INSTITUTION

(Include Holding Company Where Applicable)

Opportunities Credit Union

Person to be contacted regarding this report:	Cheryl Fatnassi	RSSD: (For Bank Holding Companies)	
UST Sequence Number:	1409	Holding Company Docket Number: (For Thrift Holding Companies)	
CPP/CDCI Funds Received:	1,091,000	FDIC Certificate Number: (For Depository Institutions)	
CPP/CDCI Funds Repaid to Date:	0	Credit Union Charter Number: (For Credit Unions)	67251
Date Funded (first funding):	Sep 29, 2010	City:	Winooski
Date Repaid ¹ :	N/A	State:	Vermont

¹If repayment was incremental, please enter the most recent repayment date.

American taxpayers are quite interested in knowing how banks have used the money that Treasury has invested under the Capital Purchase Program (CPP) and Community Development Capital Initiative (CDCI). To answer that question, Treasury is seeking responses that describe generally how the CPP/CDCI investment has affected the operation of your business. We understand that once received, the cash associated with TARP funding is indistinguishable from other cash sources, unless the funds were segregated, and therefore it may not be feasible to identify precisely how the CPP/CDCI investment was deployed or how many CPP/CDCI dollars were allocated to each use. Nevertheless, we ask you to provide as much information as you can about how you have used the capital Treasury has provided, and how your uses of that capital have changed over time. Treasury will be pairing this survey with a summary of certain balance sheet and other financial data from your institution's regulatory filings, so to the extent you find it helpful to do so, please feel free to refer to your institution's quarterly call reports to illustrate your answers. This is your opportunity to speak to the taxpayers in your own words, which will be posted on our website.

What specific ways did your institution utilize CPP/CDCI capital? Check all that apply and elaborate as appropriate, especially if the uses have shifted over time. Your responses should reflect actions taken over the past year (or for the portion of the year in which CPP/CDCI funds were outstanding).

<input checked="" type="checkbox"/>	Increase lending or reduce lending less than otherwise would have occurred.	Opportunities lent out \$19,886,492 in 2013 and although this was less than the previous year where we originated more loans for the secondary market due to heavy refinancing, the additional equity allowed us to remain well capitalized and to offer affordable loans.
<input checked="" type="checkbox"/>	To the extent the funds supported increased lending, please describe the major type of loans, if possible (residential mortgage loans, commercial mortgage loans, small business loans, etc.).	The major lending occurred in home mortgages (\$16,675,774), micro and small business loans (\$989,060), commercial real estate (\$983,100) and consumer loans (\$1,238,558).
<input type="checkbox"/>	Increase securities purchased (ABS, MBS, etc.).	

<input type="checkbox"/>	Make other investments	
<input type="checkbox"/>	Increase reserves for non-performing assets	
<input checked="" type="checkbox"/>	Reduce borrowings	During 2013 we paid off additional borrowings (secondary capital) that was not needed to support lending or growth totaling \$1,250,000 at rates ranging from 4%-4.5% also lowering our average cost of funds.
<input type="checkbox"/>	Increase charge-offs	
<input type="checkbox"/>	Purchase another financial institution or purchase assets from another financial institution	
<input type="checkbox"/>	Held as non-leveraged increase to total capital	

What actions were you able to avoid because of the capital infusion of CPP/CDCI funds?

As the result of this capital infusion we have been able to focus management's time and energy on our mission working with low income, unbanked and under served populations, increasing financial access to affordable loan and deposit products and development services for these groups and on growing the infrastructure and core earning necessary for the long term sustainability of the credit union. In the absence of these funds, we would have had to attract higher cost secondary capital and would have expended alot of time and energy in the ongoing management, renewals and reporting required for multiple smaller investments. We have been able to avoid having to attract short term capital from higher cost sources.

What actions were you able to take that you may not have taken without the capital infusion of CPP/CDCI funds?

We were able to make investments in our staff, training programs, internal controls, management reporting systems and to do a considerable automation of routine manual tasks (accounting and reconciling accounts, Board & ALCO reporting, report distribution, data interfaces between systems) lowering our costs in many areas and allowing us to grow substantially without having to grow costs at the same rate. This resulted from management being able to focus on the business model and strategic plan rather than on raising capital and working to ensure investors that we were well capitalized.

Please describe any other actions that you were able to undertake with the capital infusion of CPP/CDCI funds.