

To realize results people have to put knowledge in action. Justine PETERSEN (JP) helps people obtain financial products and services that produce real world results: higher credit scores and access to affordable and safe credit. Since 2012, JP has operated Credit Building Nation, a partnership initiative with nonprofits to expand credit building across the country, and embed credit building products in financial education programs. Many not-for-profit organizations are interested in providing credit building products to their clients but are constrained due to regulatory barriers, lack of lending or processing experience, and staffing resources.

In 2020, Credit Building Nation and its partners saw how crucial access to financial coping products were. Save2Build loans provided savings that could be accessed to help smooth income disruptions and credit cards provided a way to cover unexpected expenses without borrowing money from high-priced alternative financial providers like payday lenders, auto-title lenders, or pawn shops.

## Volume & Accomplishments

Justine PETERSEN has originated over 2,400 credit builder loans through Credit Building Nation, our national partnership to couple financial products with financial counseling provided through community partners.



Borrowers have saved over \$700,000 for their financial goals.



Participants with credit scores below 520 saw an average increase of 90 points.



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## New Partner



Consumer Education Services Inc.

We are thrilled to welcome **Consumer Education Services, Inc. (CESI)**, a national consumer credit counseling agency to Credit Building Nation in 2020. We're excited to be able to provide CESI's clients who are enrolled in a debt management plan a Save2Build secured loan, an innovative product that helps reduce debt, create individual savings and build a stronger credit profile - an elusive combination for individuals struggling with consumer debt - and the critical elements for building financial health and wellness. JP and CESI are piloting this partnership in Missouri, Massachusetts, North Carolina, and Ohio. [Learn more.](#)

## Capital One Partnership

We were pleased to continue our partnership with **Capital One** in 2020, supporting their Financial Well-Being Design team's Credit Building Program. Our work is designed to assist Capital One in providing training and support to organizations interested in integrating credit building products into their programs, including secured credit cards. In 2020 we finalized a series of "at-a-glance" fact sheets designed to facilitate client interactions when offering secured credit cards. We also developed targeted fact sheets for assisting entrepreneurs and returning citizens with credit building. Access the [Fact Sheet Series.](#)

# Research

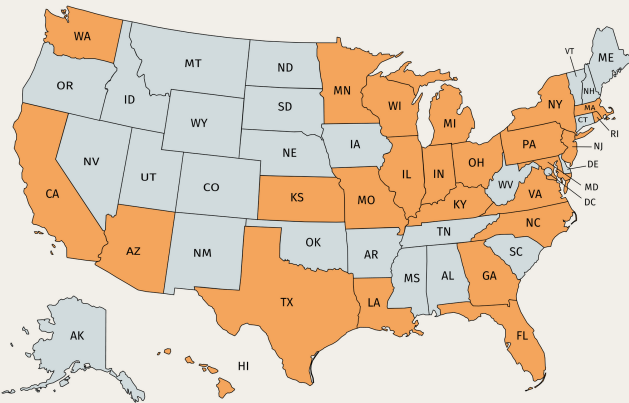


In addition to product integration, Credit Building Nation seeks to build field practice regarding credit building product integration into education through research, knowledge sharing, and consulting. In 2020, Justine PETERSEN and Credit Building Nation were featured in Credit Builder's Alliance "Credit Builder Loan Toolkit" and accompanying webinar to provide guidance to practitioners looking to implement credit building loan products in their organizations.



Justine PETERSEN's efforts to integrate credit building with small business and consumer lending contributed to research conducted by FUND CI in partnership with Credit Builders Alliance: "Bending Toward Justice: Credit Scores as a Measure of CDFI Impact." Justine PETERSEN's experience and outcomes providing credit builder loans to their own clients and to the clients of over 100 partners in 22 states through Credit Building Nation were included in the research. Tamra Thetford, JP's Chief Program Officer also served on the advisory board of the research.

## States We Lend In



- |               |                    |                  |
|---------------|--------------------|------------------|
| 1. Arizona    | 10. Louisiana      | 19. Ohio         |
| 2. California | 11. Massachusetts  | 20. Pennsylvania |
| 3. Florida    | 12. Maryland       | 21. Rhode Island |
| 4. Georgia    | 13. Michigan       | 22. Virginia     |
| 5. Hawaii     | 14. Minnesota      | 23. Texas        |
| 6. Illinois   | 15. Missouri       | 24. Washington   |
| 7. Indiana    | 16. New Jersey     | 25. Wisconsin    |
| 8. Kansas     | 17. New York       |                  |
| 9. Kentucky   | 18. North Carolina |                  |

## Case Study

Christopher started working with a credit building counselor in January of 2020. At 25 years old, he had a thin credit file, with no credit score, no active tradelines, and a paid off collection. After meeting with a credit building counselor, he worked with the counselor to apply for a Capital One Secured Credit Card and a Save2Build loan during his first meeting. He left his appointment with two active tradelines and instructions to sign up for a second secured credit card later that month. Now a year later, Christopher has finished paying off his Save2Build loan and has 2 secured credit cards. He's made sure to keep their utilization rate below 30%. A year later, his score had risen to 661, and has plans to purchase a car on his own!

## How Do Save2Build Accounts Work?

Justine PETERSEN's CDFI, Great Rivers Community Capital, makes a \$300 credit builder loan to eligible clients from certified partner organizations. The proceeds of the \$300 loan go directly into a locked account. Clients then repay the loan over 12 months; making monthly payments of approximately \$27 (exact terms vary by state). All on-time payments are reported to the three main credit bureaus. After a year, the client has \$300 in savings which can be used towards additional credit building goals.

