

# 2011 Credit Union Excellence in Lending Mortgage Lending Winner More than \$250 Million in Assets



## **Charter Oak FCU (\$650 million+ in assets; 68,000+ members)**

- Heavily dependent on vehicle loans, Charter Oak implemented a diversification strategy when the auto industry went south in 2009;
- Mortgages were the answer. Charter Oak focused on a variety of innovative mortgage products, including Accelerator Mortgage, designed to appeal to members interested in paying down their mortgages;
- With those new products, it increased its staffing and embarked on an aggressive advertising/marketing campaign;
- Proof of their excellence was illustrated in the results. The credit union became Eastern Connecticut's No. 1 mortgage lender;
- In 2010, it originated more than 1,000 mortgages (\$130 million). And Accelerator Mortgage helped lower the percentage of 30-year mortgages from 65% to 45%, improving their asset liability;

**Charter Oak FCU** of Groton, Conn., lived, ate and breathed auto loans. Then, when the economy and auto industry faltered in 2009, it came to a crossroads. The resulting strategy to diversify its lending business to mortgages paid off in a big way.

By adding staff, streamlining and adding innovative products, Charter Oak became Eastern Connecticut's No. 1 mortgage lender. Those new products, including Accelerator Mortgage, spoke to the times and catered to borrowers looking to free up income, or pay down debt.

Not only did the credit union's loan portfolio grow nearly 5 percent to \$488 million in 2010, its member service excellence was off the charts. The change in strategy was a win-win for members and the credit union's bottom line.