

MAIN STREET FOCUS

A Special Mission

Urban Partnership Bank builds up people and communities

By Ed Avis

When Urban Partnership Bank in Chicago was born four years ago from the remains of a failed community development institution, its mission was revised and then revived again.

“Our mission is just to be a solid commercial bank that focuses on our neighborhoods,” says Bill Farrow, president of the \$900 million-asset community bank with a Community Development Financial Institution charter. That special charter allows the bank, one of 40 in the nation that is both a minority depository institution and a CDFI, to receive funding from the U.S. Treasury to help serve distressed and underserved communities and consumers.

More specifically, Farrow points to Urban Partnership Bank’s four aims: serving its customers, building vibrant neighborhoods, promoting local economic sustainability, and ensuring the bank’s long-term success.

Urban Partnership Bank serves primarily lower- to moderate-income neighborhoods on Chicago’s south and west sides as well as in Detroit. Part of its regular efforts involve coaching business owners on essential financial matters, Farrow says.

“A lot of the business owners in our neighborhoods are very good operators but are not necessarily trained in how to work with a bank,” he says. “We’ve had several instances where we’ve told people that they were not ready to be bankable and that they had to do certain things, and they’ve come back as bankable entities and created some very successful



Tess Ousley expanded her Chicago child development center, All About Kids Learning Academy Inc., with financing from Urban Partnership Bank.

businesses.”

Tess Ousley owns All About Kids Learning Academy Inc., a child development center with three locations in Chicago. Loans from Urban Partnership Bank and its predecessor institution have helped Ousley grow from two to 51 employees in 17 years.

“I’m not just a business owner on a sheet of paper to them,” Ousley says

of the bank. “They understand that because they’re helping me, they’re helping other families—the families we serve and the families of the people we employ.”

Ousley’s story is common among clients of Urban Partnership Bank.

“We’ve done some homework and we think we’ve created or retained approximately 2,500 jobs over the



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Levoi Brown

last four years by our loans,” says Levoi Brown, the bank’s chief banking officer. The bank has made 238 loans since its new start.

Businesses create jobs, but churches are another important part of the community—a fact Farrow and Brown considered when they had to deal with 300 failed church loans they inherited from the earlier community development bank, ShoreBank.

“Churches provide a fiber to the community, through counseling, day care, a safe haven,” Farrow says. “We were able to restructure through dialogue and hard work many of those loans. We’re very proud of the work we’ve done in that segment of the portfolio. Of the 300, we probably saved 70 percent.”

Another part of Urban Partnership Bank’s mission is helping everyday people establish mainstream banking relationships to avoid using more expensive options. In addition to operating a branch in Detroit and eight in Chicago, the bank opened one inside a Walmart store about a year ago.

“In the first month [in the Walmart store] we opened 100 new accounts, and the average balance was \$63,” Brown says. “Now some people will say that doesn’t make sense. But that’s what we’re trying to do—people who have not been a part of the banking system now are, and they can invest in themselves.” ■

Ed Avis is a freelance writer in Illinois.

“We’ve done some homework and we think we’ve created or retained approximately 2,500 jobs over the last four years by our loans.”

—LEVOI BROWN, URBAN PARTNERSHIP BANK



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