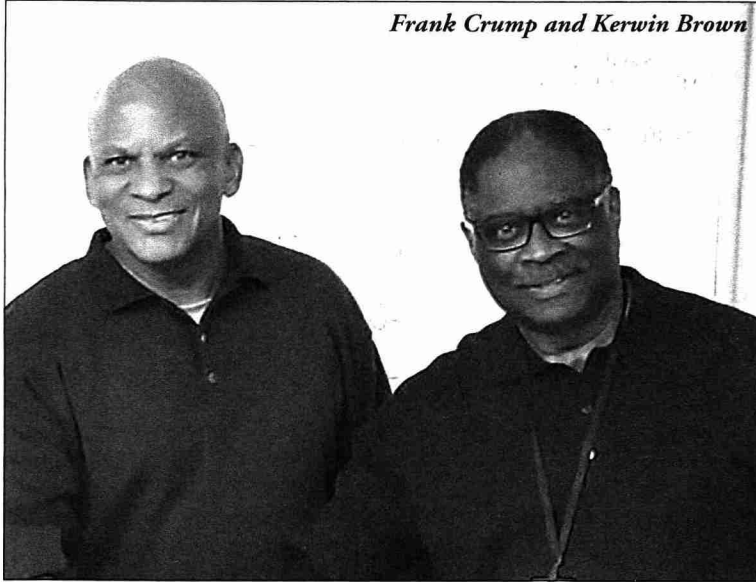


## UPI Loan Fund Provides Lifeline For People, Communities Of Color

*Frank Crump and Kerwin Brown*



**By Rick Galen**

What are the two primary economic inequities facing people of color? We know the list is long however, two things stand out above the rest: access to (bank) capital/money and high-interest rates on loans.

Approximately three years ago, longtime activist Frank Crump brought together a group of like-minded Phoenix-based community leaders, from different walks of life, to address, at the grassroots level, these economic issues and other chronic inequities that people of color face on a daily basis.

The group was named the UPI Constellation, and key members from its finance team joined Crump in meeting with Tina Sheinbein, executive director, Jewish Free Loan (JFL) of Phoenix; to discuss a possible economic/lending solution. JFL has been exclusively making “interest-free” loans to members of its Jewish community since the early 1950s, and they have developed a very suc-

cessful money-lending model.

The UPI relationship with JFL and UPI’s banking research, uncovered some alarming practices by so-called Payday and other predatory lenders.

At the beginning of the 1990s, Allan Jones founder, Check Into Cash, provided short-term loans. He has been called the “father of the payday loan industry” for founding and building the first major payday loan chain. In the beginning, Check Into Cash had about 500 offices, and they grew to more than 20,000 offices around the USA, with total income of \$45 billion per year (ustarcash.com).

And, according to CleverGirlFinance.com (Jan. 9, 2021), “payday loan lenders prey on communities of color, primarily women. And these economically vulnerable communities are targeted because they have from little to “no” access to regular banking services.” In many

cases, these Predatory Lenders are charging interest rates as high as 300 percent, which maintains a cycle of debt, poverty and hopelessness within marginalized communities.

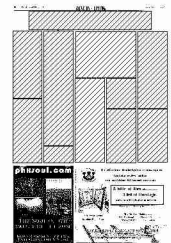
Research also showed that people of color have been intentionally denied the ability to create generational wealth, as a result of “redlining” by banks and other forms of economic and financial discrimination.

As an alternative to these predatory lenders, Crump, Kerwin Brown, and D.G. Safer Hopton – with assistance from JFL – started the process in forming the UPI Loan Fund (UPILF).

Crump, founder/CEO of the UPILF said, “We’re done waiting for solutions to appear; we’re building the solutions ourselves.”

The UPILF provides loans to individuals and families with low to moderate incomes with an emphasis on people of color. For most low/moderate income, unbanked and under-banked individuals, the lack of access to capital prevents them from taking advantage of viable opportunities that could make a positive impact in their lives and the lives of their families. The UPILF provides personal loans that help, by serving as a financial buffer, during times of need.

UPILF understands that along with altruistic goals and objectives, it also requires sound fiscal responsibility to be a successful lender. In keeping with that understanding, MariSol Federal Credit Union became a key banking partner and financial contributor to UPILF. MariSol CEO, Robin Romano, based in Phoenix, Ariz. has been a strong supporter of UPILF from the beginning.



“It is extremely important for the UPI Loan Fund program to provide both interest-free and low-interest loans to people of color. It provides a much needed, alternative to predatory loans, but it also facilitates that first step in establishing a positive financial footprint. Financial inclusion and empowerment are key cornerstones for MariSol and we know that UPILF also believes in these cornerstones.”

In addition to low interest loans, UPILF’s charitable arm provides several interest free loans per year to the very needy. There are three types of UPI Loans pending a client’s qualifications:

1. The UPI Spark Loan: Charitable No Interest Rate
2. The UPI Ignite Loan: Competitive Interest Rate
3. The UPI Fire Loan: Lower Interest Rate

The UPILF business model, like JFL, is based on utilizing loan guarantors (if necessary) as opposed to collateral to secure the loans. A guarantor is someone who can guarantee to pay back the loan, if the person receiving the loan fails to do so. The guarantor must be at least 25, a local resident and financially capable of co-signing for the loan.

UPILF believes that, in addition to having access to capital, it is vitally important that people know how to manage their money and have access to additional financial resources available that they may not know about.

Since Arizona is a multi-ethnic and multi-cultural state, promoting diversity and inclusion is a very key component to ensuring that no person or community of color feels left out or excluded from the UPILF.

Monica S. Villalobos, president/CEO, Arizona Hispanic Chamber of Commerce, said it best; “We are very excited to be working with the UPILF to serve people of color. It is my understanding from

talking with my colleagues across the country that this may be the first interest-free and/or low-interest loan program that provides much-needed financial services to a broader crosssection of communities in Arizona.”

Approved UPILF personal loans offer additional benefits to borrowers, to include: Debt Consolidation; Behavioral Financial Wellness/Life Skills Solutions™ Training; and Free Credit Union Membership via UPILF partner MariSol Federal-Credit Union.

David H. Richardson, CEO of Take Charge America, stated, “I believe strongly in the UPILF program and feel fortunate to have the opportunity to assist by offering budget and debt counseling to each loan applicant/recipient to help them establish a workable budget, find resources in their community, and prepare a plan to improve their financial well-being.

Dr. Warren H. Stewart, Sr., chair of the African American Christian Clergy Coalition, emphasized that “more than ever, communities of color must have access to financial institutions that are sensitive to their needs; in other words, it is an economic imperative that we have financial institutions that we can support and who will support our need for individual and community prosperity in the 21st century.”

Kerwin Brown, executive director of UPILF, said, “None of us walk alone, and the success of our mission is a testament to the efforts and contributions from our friends near and far. We wouldn’t be here without community support from Vitalyst Health Foundation, APS, Arizona Community Foundation and former Congressman Frank Riggs. Reaching our goals doesn’t happen overnight. Each and every day we take steps forward and are grateful to those who join us.”

The vision of UPILF is to aid in

the financial support and wellbeing of low/moderate income people of color while providing a helping hand to the greater community. According to Frank, “UPILF looks to adapt capitalism with humanism by providing a unique lending approach and financial wellness services to underserved communities. We have landed in Arizona and our intention is to expand across America. Our mission is to help individuals and families to continue their education, pay for travel, medical/dental costs, and other expenses that may unexpectedly arise. As our funding grows, so will our reach in supporting small businesses.”

*For information on how you can help, to make a donation and/or to apply for a loan, go to [upiloanfund.us](http://upiloanfund.us) or call Kerwin Brown at 602-888-1370.*