

SOUTHERN BANCORP

ARKADELPHIA, ARKANSAS

Southern Bancorp was created in 1986 when then Arkansas Governor and First Lady Bill and Hillary Clinton, Mr. Rob Walton, Mr. Mohammad Yunus, the Winthrop Rockefeller Foundation, and others came together to develop a mission-driven, financial institution that would work to end economic decline in one of the nation's poorest regions: rural Arkansas.

Southern Bancorp—a family of a community development bank holding company, a community development bank, and a nonprofit affiliate—emerged from that initiative. Today, Southern Bancorp is one of the largest and most profitable rural development banking organizations in the United States. As such, it has the physical presence, infrastructure, and capacity to drive regional change.

Southern Bancorp provides diverse traditional and nontraditional products and services focused on the needs of the 48 percent unbanked and underbanked population in its target market. These products and services are carefully integrated within each community to maximize their impact. Southern Bancorp leverages its partnership with its nonprofit affiliate, Southern Bancorp Community Partners, to revitalize targeted communities by focusing on financial and human capital development.

Over the past 25 years, Southern Bancorp has provided over \$3 billion in financing to consumers and businesses unable access to affordable credit and capital from traditional lenders. In 2012 alone, Southern Bancorp provided more than \$300 million in loans across its high-poverty markets. Over 50 percent of Southern Bancorp's loans are for amounts less than \$10,000 and over 55 percent of its business loans are for amounts less than \$50,000. Today, Southern Bancorp has \$1.1 billion in assets, over 80,000 customers, and 40 branches, located primarily in underserved markets, including Southern Arkansas and the Mississippi Delta.



HOFFINGER INDUSTRIES

In 2012, Phillips County, Arkansas faced the prospect of losing its largest private employer, Hoffinger Industries. The company, a leading producer of above-ground swimming pools and outdoor recreation products, faced a sale of the business that would have likely closed the business' doors. The closure of Hoffinger Industries would have only added to Phillips County's 32 percent poverty rate.

Hoffinger Industries executives came to Southern Bancorp's lending staff seeking advice on how to use a management buyout to keep the local business in operation. Southern Bancorp staff worked with the company to finance \$3 million—in the form of a very low, variable-rate loan and 180-month term—to ensure the long-term viability of the company.

With the help of Southern Bancorp, Hoffinger Industries was able to retain 137 employees in Arkansas's poorest county. Today, they plan to add 12 new positions over the next two years.

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Southern Bancorp BY THE NUMBERS

(2012)

→NUMBER OF COMMUNITY
REVITALIZATION PROJECTS
ASSISTED: 20

→TOTAL DOLLAR AMOUNT
LOANED: \$408.6M

→TOTAL DOLLAR AMOUNT
LEVERAGED: \$8.7M

→FOUNDED IN 1986

→CERTIFIED AS A CDFI IN 1996

→SERVES RURAL ARKANSAS AND
MISSISSIPPI

CDFI
COALITION
WWW.CDFI.ORG