

ALLOYA UPDATE

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WHAT'S IN STORE FOR YOUR 2024?

When moving to a new home or apartment, look no further than the internet for inspiration on the right questions to ask.

Why is the seller moving? How old is the roof? Is this a flood zone? How's the water pressure?

There are dozens if not hundreds of articles with words of wisdom for renters and homebuyers alike because moving is a big deal and asking the right questions is the key (pun intended) to making the right choice. It goes without saying that where you live has major implications for your financial well-being and overall quality of life!

Much like a renter or homebuyer, credit union decision-makers should keep this logic in mind when considering a move from one data processor to another or a merger with another credit union. So, if you're planning a core conversion or merger in 2024, start with Alloya. We have created checklists of questions worth asking to ensure the success of your move or merger. Visit www.alloyacorp.org/conversion-merger-article to access our checklists and remember that our job is to make your job easier.

ENDING WITH OPTIMISM

Link with Alloya and former *National Geographic* photographer Dewitt Jones on **December 14 at 1:00 pm CT** to focus your vision, rekindle your passion and celebrate what's right with the world!

Why? Because by celebrating what's right, we find the energy to fix what's wrong. Never has this positive message been more important.



Register now at www.alloyacorp.org/linkwithalloya.

HAPPY
Holidays

LEND A HELPING HOLIDAY HAND

There's nothing like watching your loved ones open that perfect holiday gift. But even the most sale-savvy holiday shoppers are likely to lean on credit for financing.

Rather than racking up debt and interest charges on credit cards, what if your members could finance next year's holiday spending with a small-dollar loan that's just as easy but could cost them less in the long haul? What if these loans could be digitally originated and instantly funded? Can you envision a holiday loan that serves members 24/7 from a mobile device without any intervention from your team?

QCash is that solution. It's time to help your members finance their holiday spending in a healthier way while making your operations simpler. Start planning now to make QCash small-dollar loans a part of your next holiday season. Learn more at www.alloyacorp.org/QCash.



REAL-TIME PAYMENTS (SIMPLIFIED)

Your compass,
your copilot,
your on-ramp.

Let's hit the open
road together.

LEARN MORE



www.alloyacorp.org/real-time-payments

LEVERAGING REAL ESTATE ASSETS FOR INSTANT CAPITAL

Looking to increase your capital ratio? While retained earnings and subordinated debt are among the most popular tools, there's a third, lesser-known option that's making waves in the credit union space: sale-leaseback transactions.

In the simplest terms, a sale-leaseback transaction occurs when an organization sells some of its real estate (in the case of a credit union, usually a branch, set of branches or corporate office) to an investor while simultaneously signing a long-term lease for the just-sold space. The selling entity (in this case, the credit union) puts the equity from the sale of the building right towards its capital. For the investor, the just-purchased space comes with a long-term tenant (the credit union!) – usually with no additional capital expenditure.

Credit unions have been leveraging sale-leasebacks to raise capital for decades. However, a big change occurred for accounting standards within the last couple years, which enables credit unions to now realize the gain on the sale of the transaction immediately, rather than prorated over the life of the lease. This is monumental for credit unions in need of capital.

If a sale-leaseback sounds like a potential capital solution for your credit union, check out this recent podcast episode from *C.U. on the Show*, "How Credit Unions Can Leverage Existing Real Estate to Secure Immediate Capital," featuring Alloya's Vice President of Lending, Loan Participations & Subordinated Debt, Bill Paton. Listen now on **Spotify** and **Apple Podcasts**. To connect directly with Alloya's experts, contact capitalsolutions@alloyacorp.org.



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