

Small Credit Unions in Washington, What Difference Do They Make?

The Failing Mobile Home Roof, by Trevor Galey, VP of Lending at Tri-CU Credit Union

Charles came in early this summer (2025) frustrated because his roof has been increasingly failing for a while, and he couldn't get any banks to provide financing. He came in to speak to me with a very defeated attitude, and I could tell he didn't really think there was a chance we could help. It is true that both his credit and income were lower than our guidelines suggest we should typically approve.

His situation was definitely far outside a bank's profit-driven approval parameters. A bank typically has tight approval parameters, as they are so focused on volume-based business. For the sake of profit and efficiency, they create a "box" that clients must fit into, in order for them to consider the application. They also typically have high minimum credit score requirements, so people who have less than a 680 score may be declined no matter what the rest of the picture looks like. Charles was far under a 680 credit score.

A bank might also require a lien on a home that has good value, compared with the amount of the loan. In their eyes, if the loan goes bad, they can just take the property and sell it to recoup their money. Charles had an old manufactured home that wasn't even legally connected to his land. This is not the type of collateral that a bank would typically consider. It also had a bad roof, which raises concerns about the overall condition.

According to Charles, when he applied at multiple banks before coming to Tri-CU, he was told " "Sorry, your income compared with the amount you owe in other debts is too low for our parameters. Also, you also don't have a high enough credit score nor collateral with enough value for us to consider. In fact, we don't even do loans for your type of home. We really wish we could help you, but we can't."

The reason Charles came to us, was because one of the bankers told him, "maybe try one of the credit unions around here." Well, fortunately, Charles was already a member of our small credit union. Our credit union also has lending approval parameters and guidelines. He was not a perfect fit. He was not even a close fit. However, he has been a very long-time member and his loyalty to us was worth giving him an option to finance a small roof repair. We have parameters, but we can also look him in the eye, recognize that he isn't profit on a page, but a person who needs help that he can't get elsewhere. We were that credit union. We were able to give him approval for the financing he needed to fix his roof.

I think that he was a bit shocked that someone was giving him a "yes." He has been incredibly grateful, and we are finalizing the loan now. Shelter is a basic human need, and that crumbling need was not met by a profit-centered bank approach. Because of his local credit union, Charles will have a quality roof over his head in June of 2025.

Tri-CU is a small credit union in Kennewick Washington. They have a single office with only 14 employees. They are about \$75M in assets and serve only their bi-county area. For more information contact Doug Wadsworth, President. Doug@Tri-CU.com, 509-735-8331 x100