

COOPERATIVE
LowellBank™
Connections

Quarterly Newsletter of LowellBank

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To receive this Newsletter, Offers, and Special Promotions from LowellBank via e-mail sign-up at www.LowellBank.com!

At LowellBank, we approach banking differently. We take the time to get to know you so we can offer the products and services you're looking for today, and help you prepare for tomorrow. Whether you're looking for traditional banking products like checking, savings, consumer & home loans, or the latest convenience banking options, you'll find banking services that fit your lifestyle. And as a community-centered bank, all our lending decisions are made locally, by familiar faces who know you and who are invested in your community. Add convenient ATM locations and free no-hassle parking at our branches and you'll see what personal banking is all about.

Community Spotlight

Lowell Pride Brings LowellBank to the Tsongas Center at UMass Lowell

When UMass Lowell purchased the former Tsongas Arena from the City of Lowell in early 2010, their goal was to use the arena as a way to attract attention to the University of Massachusetts Lowell Campus, by creating a first-class venue that would attract events and crowds to the city of Lowell. UMass Lowell would not only increase the visibility of the university, but it would also bring dollars to the various restaurants, businesses and parking facilities downtown who would benefit from the increase in foot traffic. The hope is that the project, and the economic benefits resulting from its completion will bring the City of Lowell and it's highest profile institution closer together.



The LowellBank Pavilion Club

LowellBank is proud to support UMass Lowell in this effort. In September when the university unveiled the renovated facility renamed the Tsongas Center at UMass Lowell, the bank announced the completion of the LowellBank Pavilion, a multi-level lounge area located on the second floor of the facilities' concourse. The LowellBank Pavilion offers prime viewing and opulent comfort to 500 patrons of Tsongas Center events. Amenities available to LowellBank Pavilion premium ticket holders include leather back

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Letter from the President

Welcome Customers and Friends of LowellBank to a brand new year!



I am personally looking forward to 2011 as a year of economic growth and recovery for Greater Lowell, its residents, and you, our customers. If the challenges of the past few years have taught us anything here at LowellBank, it is an appreciation for the interconnectedness of LowellBank, our customers, and our community.

In 1885, Lowell Cooperative Bank was established with the idea that it could make a difference in the lives of Lowell's working class. During our long 125 year history, our focus has always been on supporting our customers and our community, as together we endure life's many challenges – and prosper during times of opportunity. Along the way, LowellBank has adapted and evolved to meet these fluctuating times. Our "Everything Checking", a completely fee-free checking account package, is one example of a new banking product developed in response to our customers' need for honest banking products. Our sponsorship of the Tsongas Center at UMass Lowell demonstrates just one way we support the economic advancement of the City of Lowell.

Today as we begin another decade, we look forward to integrating Omega Mortgage Corporation into the LowellBank family. Their acquisition uniquely positions LowellBank in the local mortgage market and allows us to negotiate better lending rates for our customers.

As CEO of LowellBank it is my job to ensure that our mission remains focused on assisting our customers and the community at large. Our slogan, "Personal Business Banking" embodies this mission and serves as a public reminder that we are always available to our customers – myself included. If you would like to speak with me, I can be reached directly at (978) 322-7009.

Richard E. Bolton, Jr.
President, CEO, and Chairman

Lender spotlight — Jim Kohr: "M"



LowellBank Home Lending Officer, Jim Kohr (left) and Dean Johnson, WCAP, Radio Personality.

There's a certain neighborliness about LowellBank's Jim Kohr that immediately sets his mortgage customers at ease. Customers like Dean Johnson, host of 980 WCAP radio's Afternoon Edition and his wife Denyse, who freely admit that when it came to applying for, or refinancing a mortgage, "they dreaded it as much as most people dread going to the dentist." Like many others Dean shared the misperception that the mortgage process was "involved, complicated, confusing, and painful on so many levels."

Dread it or not, in late 2009 mortgage rates had dropped so low that Dean and Denyse felt they would be foolish not to refinance. Dean's friend, LowellBank Community Development

Officer, Ziggy Burns, a contributing host on WCAP's Expert Network program referred the Johnsons to LowellBank Home Lending Officer, Jim Kohr. It is Jim whom they credit with having taken away their dread of applying for home lending services and making the whole process effortless.

"It's easy at LowellBank. All the pieces are there," Dean explains. The Johnsons began the process online by entering their financial information on the bank's secured pre-qualification site. Within a couple of days Jim called the Johnsons back with their approval and from then on most of the follow-up communication was done via email at their convenience. Dean Johnson likes to say the whole application process is effortless. So much so, that since their original transaction in 2009 the Johnsons have completed two more projects with LowellBank and have also referred a family member.

Jim Kohr's talent for working with customers has also made LowellBank a favorite with real estate agents who trust Jim to create just the right mortgage package to supplement their sales program. "Unlike other larger banks with whom our buyers had applied for mortgages Jim and LowellBank have followed through on everything that they promised," comments Maureen Roberts of Century 21 Travis

Community involvement *continued*



Congratulations to Sam Cortes — the winner of our iPod Touch raffle! Sam is a Middlesex Community College student who took advantage of the great Everything Checking offer to MCC students.

seating, paneled walls, plasma televisions and a full service bar and wait staff.

The LowellBank Pavilion at the Tsongas Center at UMass Lowell is only a piece of a larger sponsorship commitment that LowellBank has made to the university. Other components of the UMass Lowell sponsorship include support for the entire Riverhawk's Athletic Program, as well as the UMass Lowell River Hawk Racing Team.

"We at LowellBank support UMass Lowell, not only in their contributions to the economic vitality of the city of Lowell, but also as they continue to instill the same spirit of inventiveness and ingenuity upon which our historic city was built, into its' students throughout the world," concludes LowellBank CEO Rich Bolton.

Making mortgage loans that make sense”

Realty the agency marketing The Townhomes at Concord Crossing on Rogers Street in Lowell. Roberts goes on to explain that Jim has taken over loan applications from other banks who promised buyers a closing, but didn't deliver. "Jim put our panicked buyers at ease and personally walked them through the mortgage process with LowellBank and the successful closing of their mortgage," Roberts states.

By personally making himself available during open houses at Concord Crossing Jim is able to present potential homebuyers with all their financing options and to educate them to make smart mortgage decisions right from the start. "This face to face contact with a mortgage representative is hard to get these days but very important to buyers," according to Concord Crossings real estate developer, Tom Scott. In the case of Concord Crossing's buyers, many of

whom are first time homebuyers, they are looking for guidance, responsiveness, and accountability from the bank. "That is something larger banks and mortgage companies cannot offer," Scott continues.

Jim is quick to credit LowellBank's unique position in the mortgage market for his ability to help his customers. LowellBank allows him to offer mortgage applicants what he considers the best of two worlds. Most lenders and banks offer the typical secondary market and FHA mortgage loans, however LowellBank has the flexibility to keep loans that don't necessarily meet the secondary market guidelines but still qualify with good income and credit, in their lending portfolio. "I like to say we like to make mortgage loans that make sense," Jim states. As a local community bank, lending decisions at LowellBank are made by individuals who consider the applicant's

"whole picture" as opposed to simply running the applicant's information through an automated underwriting system only to receive an arbitrary "approval" or "denial".

Jim's passion is educating buyers to the pitfalls and bad lending practices that have tarnished the reputations of so many mortgage companies. With over 30 years experience in residential mortgages, Jim Kohr has established a reputation as an expert in First Time Home Ownership. He works closely with non-profit agencies in the area and partners with both the Merrimack Valley Housing Partnership and Community Teamwork, Inc. to teach classes on various mortgage topics. Jim can be reached at LowellBank by calling (978) 322-7010 or by email at jkohr@lowellcoop.com. LowellBank lends to homebuyers throughout Massachusetts and New Hampshire and is also an Equal Housing Lender.

"We've dealt with various other banks in various other levels and it is one thing to get your banking needs taken care of, but it is another to get them taken care of in a timely manner, painlessly, and at a comfort level where you are very, very, comfortable with the person. Dealing with Jim you get four for four. I would not, and do not, have any reservations about referring my family and friends to Jim Kohr and LowellBank. I would tell them – if you want to get the information you need to do what it is you want to do with the least amount of stress – start at LowellBank." – Dean Johnson



Business spotlight

D.E.M. Electric

Don Sturtevant doesn't have a lot of time for banking. This NH & MA licensed electrical contractor is the definition of a "hands-on" business owner. Don Sturtevant is D.E.M. Electric, the company he started in 1992. He and his small staff of dedicated electricians service a long list of loyal local business and residential customers. When a customer calls D.E.M. Electric, more often than not, the call is answered by Don himself – 24/7. "I'm on every job," boasts Don "which means I know every customer and the details of every job. I answer directly to my customers." This small business owner credits personal rapport with his customers and accountability as the keys to his business' long-term success. Maintaining this level of customer service doesn't leave Don with much time for his business's finances; something Don also handles personally. For over 18 years, Don has

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D.E.M. Electric *continued*

trusted both his business and personal banking to LowellBank. He feels LowellBank appreciates the value of his time, understands his banking needs, and shares his commitment to customer service. At LowellBank, Don receives the same great personal service, responsiveness, and accountability that he provides to his own customers. He is comfortable with the familiarity he enjoys with the LowellBank staff. "When I walk into the Hurd Street branch everyone, without exception, knows me and I know them," brags D.E.M.'s owner. Many of the tellers know Don's banking habits and account numbers by heart, making his visits to the bank as quick and efficient as possible. "It always impresses me how much the tellers remember," comments Don. However friendly these visits may be, time spent on banking is time not spent servicing his customers.

LowellBank is always looking for ways to make banking easier and more convenient for our customers. Business banking services like Remote Deposit Capture save business owners time and expense by allowing them to deposit checks directly into their bank account from their place of business, saving service contractors like D.E.M. from multiple trips to the bank each week. For D.E.M., installation

of the Remote Deposit Capture system was fast and effortless, and coordinated at Don's convenience by Chris Doran, LowellBank's IT Coordinator. "Chris came right out to the office and set me up in no time. He's always available for technical support and can usually walk me through solutions over the phone," explains Don. For small business owners like Don Sturtevant, whose livelihood depends on being available to their customers 24/7, LowellBank's commitment to meeting their business' needs whether in person, online, or over the phone amounts to more time saved and more money earned.

D.E.M. handles commercial and residential electrical projects of all kinds, from repairs to the total project including the installation and servicing of burglar alarms, fire alarms, and surveillance systems. For more information about D.E.M. Electric contact them at (978) 934-9990 and speak with Donny personally or email him at don@demelectric.com.

Enter LowellBank's "125 Years & Growing Strong" photo contest

For over 125 years LowellBank has represented strength and stability to residents of the Greater Lowell community as together we work towards the future. During our long history we've witnessed many of the dynamic changes that continue to shape the community in which we live and do business.



Do you recognize the street featured in this 1980 photo? It used to be the home of Lowell's Victory Market until the chain was sold to Hannaford's Market.

Think you know the answer? Call us at (978) 322-7077 with your guess or email it to klarose@LowellCoop.com. All correct entries will be entered into a raffle for 2 tickets to the Merrimack Repertory Theatre and dinner at the Blue Taleh. Drawing will be held on Monday, February 21, 2011.

Many thanks to Guy LeFebvre from the Lowell Gallery for his assistance in coordinating this contest.

Ironstone Farm Challenge Unlimited



Our own Community Development Officer, Ziggy Burns was recently honored by Challenge Unlimited at Ironstone Farm in Andover for his work helping children with disabilities. Ziggy is seen here with fellow honoree, retiring State Sen. Susan Tucker (left) and Deedee O'Brien, Executive Director of Challenge Unlimited. (photo credit: the Lowell Sun)



LowellBank's CEO, Rich Bolton, was proud to be one of the hundreds honoring Ziggy Burns November 20, 2010.



Everything Checking

The Alternative to Big Bank Checking – Free Checking Accounts Created on Hurd Street, not Wall Street.

According to the 2010 Checking Study released by Bankrate.com in October of this year, a number of banks are phasing out their free checking and introducing minimum balances or monthly maintenance fees. The same study also found that among the over 1,000 random checking account holder participants polled, 70% think that free checking was one of the most important services any bank can offer.

In contrast to what their customers are telling them, banks all over the country are introducing a variety of new charges to checking account holders for traditional bank services, such as banking with an actual teller, paper bank statements, or simply possessing a checking account. The large national and regional banks stand to make huge profits from their new fees which they claim are necessary in order to make up income lost from new regulations imposed on all banks by the federal government. These regulations were adopted to protect banking consumers from unfair fees. How all banks are adapting to these new banking regulations illustrates the fundamental difference between large shareholder driven banks and local community banks. The larger banks view the regulations as a challenge to create new ways to make up shareholder profits - unfortunately, at the expense of their customers.

LowellBank's, corporate headquarters is on Hurd Street not Wall Street. Our loyalty is to our customers, not to shareholders all over the world. We support the FDIC regulations for what they are: an honest effort to protect you, the banking consumer from unfair fees, to restore your faith in the banking industry and to restore sanity to your checking account.

That's the reason why we created Everything Checking - to help our customers make the most of their money. Everything Checking is a complete checking account package with all the options you need and the conveniences you want. No fees, no minimum balance requirements – no catches!

To find out about other hidden bank fees and practices such as re-ordering transactions and stacking the debt that generates BIG money for the big bank, visit our "Fight Back" website page at LowellBank.com/compareyourbank.html.

- Use any ATM machine anywhere – including non-LowellBank ATMs - without a fee!
- With our simple Debit Card Rewards Program you earn 1.25% back on EVERY purchase that you sign for — no complicated hoops to jump through to earn these rewards.
- There's never a monthly maintenance fee –no matter what your account balance is.
- Inactivity fee? Why would we want to charge you for saving money? We don't.
- Direct Deposit, Online Bill Pay, Online Banking are convenience options we offer at no charge.
- A fee to receive your statement in the mail? Never!
- Prefer to pay your bills by check? Basic check orders and reorders are free.
- We don't charge per item fees.
- Want to check your account balance at the ATM before you make a withdrawal? It's free!
- We don't hold your money hostage by requiring a huge minimum balance either. \$10 is all it takes to receive all the benefits of Everything Checking.

Invite a Friend to open an Everything Checking account with you and you will both earn a \$50* reward!

Encourage a friend to "Fight Back" with this coupon.



For more information, call 978-458-4598 or visit LowellBank.com

15 Hurd St. • 18 Hurd St. • 691 Rogers St., Lowell, MA 01852

Referring Everything Checking Customer + \$50

Name : _____

Everything Checking Account Number: _____

Referred Friend + \$50

Name: _____

Everything Checking Account Number: _____

Date Account Opened: _____

*A \$50 Fight Back Bonuses will be paid directly to both the Existing Everything Checking Account and the Referred Everything Checking Account once the referred account has been opened for 60 days. Cash bonuses may be considered interest reportable on IRS Form 1099-INT. The attached referral coupon must be presented at the time the referred Everything Checking Account is opened.

Aquisition Creates More Options



As many larger banks and lending institutions struggle with increased federal compliance mandates resulting from the recent mortgage crisis, LowellBank finds itself in a unique position to expand. LowellBank has recently finalized their purchase of the assets of one

of the oldest privately owned mortgage companies in Massachusetts, Omega Mortgage Corporation. The combination of Omega Mortgage and LowellBank's mortgage loan volume will significantly increase the Bank's current residential mortgage market share in Massachusetts. This will give LowellBank greater leverage in negotiating lower mortgage rates on the secondary mortgage market. These great rates will be passed on to LowellBank mortgage customers.

LowellBank Chairman and CEO, Rich Bolton is excited about the growth opportunity for the bank and for our customers. "By strategically partnering our bank with a strong mortgage company that has over 20 years experience, LowellBank is able to expand our existing line of loan products," Bolton explains. For the LowellBank mortgage customers the acquisition of Omega Mortgage Corporation means access to a broader range of lending options, mortgage programs, and better mortgage rates.

Lowell Bank is Here to Help

At LowellBank we make applying for a mortgage or personal loan convenient and secure. Our "personal business bankers" are here to help you find the lending option that works best for you. Our rates are among the lowest around and you'll have the peace of mind that comes from knowing the people you are banking with. Call us at (978) 458-4598, visit us online at www.LowellBank.com or drop in to visit us at one of our branches.

At LowellBank your deposits are **ALWAYS** insured in full

Every deposit you make at LowellBank is insured in full, dollar-for-dollar, without restriction. This includes deposits and accumulated interest in savings accounts, checking and interest bearing transaction accounts, money market accounts, and term deposit accounts such as certificates of deposit.

The FDIC insures each depositor to at least \$250,000.00. The Share Insurance Fund (SIF) of The Co-operative Central Bank insures all deposits above these amounts. The unique combined insurance coverage afforded by the FDIC and the Share Insurance Fund provides the best deposit insurance available, whether deposit balances are held in passbook, statement or certificate type accounts, or in any combination of these accounts. At a Massachusetts co-operative bank, your deposits are always fully protected.

Temporary Changes to FDIC Insurance.

Beginning December 31, 2010 through December 31, 2012, deposits held in noninterest-bearing transaction accounts will be fully insured, regardless of the amount at all FDIC-insured institutions.

