

\$25.00



# CHANGE *for a* DOLLAR

A HISTORY OF FIRST SAVINGS AND LOAN

Ricky N. Smith





Ricky N. Smith graduated from Wingate University, formally Wingate College, and Appalachian State University. He joined First Savings & Loan in 1990, becoming president of the institution in 2002. Rick worked alongside his father L. Neal Smith for more than twenty years. In 2007, he graduated from the Graduate School of Banking at Louisiana State University, an incredible learning experience that greatly influenced his writing of this book. Rick resides in Mebane, North Carolina, with his wife Juliana and daughter Meredith.



Savings and loans changed America during the twentieth century, yet few people under the age of fifty are familiar with the term “savings and loan.” Even fewer remember how this forgotten segment of the financial industry made the dream of owning a home possible during its golden age following World War II. The objectives of savings institutions in those days were simple: promoting the virtues of saving, and extending home loans the *right* way, with no gimmicks or subprime loans. The only lasting image of a savings and loan seems to be the “Bedford Falls Building and Loan” from the film *It’s A Wonderful Life*. Still, this fictional portrayal from the Christmas classic is a positive image, and one that many financial institutions wish they had today.

Just as old, grainy, black-and-white films of the 1940s gave way to vivid color movies, savings and loans were replaced by a sophisticated and sometimes complex financial system. Even the term “savings and loan” has all but disappeared from our vocabulary and, in the minds of most folks, all financial institutions are simply “banks.” Although our financial system is truly the engine that drives the country’s economy, the events of the past few years have shown that no system is perfect no matter its size or sophistication.

Only a few mutual savings associations still exist today, and First Savings & Loan Association of Mebane, North Carolina, is proud to be one of them. Founded in 1909, First Savings survived its early years and the Great Depression, and prospered in postwar America. It was change that both built the savings and loan industry and likewise nearly destroyed it.

This is not the story of a small-town financial institution that became a big-time success with hundreds of branches. Instead, this is the story of a successful small-town institution with stable and solid roots.



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