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Latino credit union up for \$5.5 million award

By [Todd Cohen](#)

DURHAM, N.C. – The Latino Community Credit Union in Durham has been named a semifinalist for \$5.5 million in funding from The Wachovia Foundation in Charlotte and the John D. and Catherine T. MacArthur Foundation in Chicago.

The Durham-based credit union, which has seen its assets surge to \$54 million from \$22 million two years ago, is one of 10 community development financial institutions throughout the U.S. being considered for the inaugural Wachovia NEXT Awards.

Winners of the awards, which will be announced in December and are being administered by the Opportunity Finance Network in Philadelphia, will receive a combination of unrestricted grant funding from The Wachovia Foundation and low-cost, long-term loan funding, known as a "program-related investment," from the MacArthur Foundation.

Over five years, The Wachovia Foundation is making a \$16.75 million grant and the MacArthur Foundation is making a \$25 million program-related investment to fund the annual awards.

If it receives the award, would include a \$500,000 grant from Wachovia and a \$5 million program-related investment from MacArthur, the Latino credit union would use the grant to add three branches and would use the program-related investment to make below-market mortgage loans, says Luis Pastor, the credit union's CEO.

With 50,000 members, up from 35,000 two years ago, the credit union has branches in Durham, Charlotte, Fayetteville, Greensboro and Raleigh.

Pastor says the credit union, which expects to double its assets again in three years, plans to add a branch in Winston-Salem and two other location still to be determined.

And with mortgages averaging \$95,000 to \$96,000, typically for a family of five to six members, he says, the investment from MacArthur would support 50 to 55 mortgages.

The Latino Community Credit Union is one of six institutions with over \$50 million in assets each that are semi-finalists for the \$5.5 million award.

Two finalists will be selected later this month, with the winner to be announced in December in Miami at the annual conference of the Opportunity Finance Network, says Lina Page, executive vice president of strategic communications.

A winner also will be selected for a \$2.75 million award to an institution with \$10 million to \$50 million in assets, and four other winners will be selected for \$25,000 unrestricted grants.

Page says the size of the awards program is unprecedented in the field of community development financial institutions.

The Opportunity Finance Network, which counts as members 170 of the estimated 800 to 1,000 community development financial institutions in the U.S., provides its members with services and also provides technical assistance, consulting and a range of services to the industry overall.