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Wednesday, October 3, 2007

Latino Community Credit Union semi-finalist for \$8.25M award

The Wachovia NEXT Awards for Opportunity Finance in partnership with the John D. and Catherine T. MacArthur Foundation has selected Durham, N.C.-based Latino Community Credit Union (LCCU) as a semi-finalist to be one of two U.S. community development financial institutions (CDFIs) that will share in \$8.25 million in grants and awards from an unprecedented new awards program offered by the Opportunity Finance Network and sponsored by The Wachovia Foundation and the John D. and Catherine T. MacArthur Foundation.

Latino Community Credit Union (LCCU) is a nonprofit community development credit union that provides competitive interest rates for deposits, affordable loans, and financial education.

The recipients of the Wachovia NEXT Awards for Opportunity Finance will be named in December 2007 in Miami. A distinguished national committee will choose among the semi-finalists to select two premier CDFI organizations to receive \$8.25 million in grants and investments. Financing provided by community-based CDFIs allows nonprofits and entrepreneurs to build and preserve affordable housing, help small businesses grow, and develop new community facilities, such as schools, health clinics and centers for child care, recreation and culture.

Over the course of five years, The Wachovia Foundation is making a \$16.75 million grant and the MacArthur Foundation is making a \$25 million low-cost, long-term loan called a program-related investment to fund the Wachovia NEXT Awards.

About Opportunity Finance and CDFI: The Wachovia Foundation, MacArthur and the Opportunity Finance Network created this awards program to spotlight and reinforce the growing – but underappreciated – role of CDFIs in the U.S. economy. Ultimately, the three partners expect more investors, policymakers, and talented young leaders will discover the innovative field of opportunity finance and help raise its scale and impact significantly.

More than 700 mission-driven banks, loan funds, credit unions, and venture funds currently serve low-income and low-wealth people and communities that some mainstream investors consider too risky or difficult to reach. CDFI financing allows entrepreneurs and nonprofits to build and preserve affordable housing, to help small businesses grow, and to develop new sites for recreation, cultural programs, schools, health clinics, child care centers and more. Many CDFIs provide mortgages, banking accounts, car loans, money transfers, and other services that help customers gain financial literacy, build savings and avoid expensive or predatory financial products.

During 2005 alone, CDFIs provided \$4.3 billion in new financing which yielded: 39,151 jobs in 9,074 businesses; 55,242 units of affordable housing; 613 community facilities such as charter schools, child care and health care centers; and 138,045 low-income people opening their first bank accounts, according to the CDFI Data Project.

About the awards:

Each year the Wachovia NEXT Awards will include:

- * A \$5.5 million program-related investment and unrestricted grant award to an outstanding, high-potential CDFI with over \$50 million in assets dedicated to lending or investing;
- * A \$2.75 million program-related investment and unrestricted grant award to an outstanding, high-potential CDFI with \$10-\$50 million in assets dedicated to lending or investing; and
- * Four \$25,000 unrestricted grant awards to CDFIs of any size that have demonstrated excellence in Innovation, Advocacy, Financing, and Community Impact.

CDFIs seeking to apply for a Wachovia NEXT Award had to meet all of the eligibility requirements detailed at the Wachovia NEXT Awards Web site: www.nextawards.org. These include: a primary mission of community development; demonstrated financial discipline and programmatic performance; and an increasing volume of lending or investing activity and positive net revenue. The winning organizations will be CDFIs with a history of outstanding accomplishment, a bold and compelling vision, extraordinary future potential for growth, innovation and impact, and a high degree of readiness to successfully use and leverage a large, flexible investment.

ABOUT LCCU: Latino Community Credit Union (LCCU) is a nonprofit community development credit union that provides competitive interest rates for deposits, affordable loans, and financial education. Based in North Carolina, LCCU was the first bilingual, multicultural financial institution in North Carolina to provide all of its services to its members in Spanish and English, without discriminating in pricing. Founded in 2000 in Durham, the credit union has 5 branches, located in Durham, Charlotte, Raleigh, Greensboro and Fayetteville.

About The Wachovia Foundation: The Wachovia Foundation is a private foundation that provides grants to eligible 501(c)(3) tax-exempt organizations in two primary focus areas (education and community development) and two secondary areas (health and human services, arts and culture). The Foundation's mission is to build strong and vibrant communities, improve the quality of life, and make a positive difference.

About The John D. and Catherine T. MacArthur Foundation: The John D. and Catherine T. MacArthur Foundation is a private, independent grantmaking institution with a mission of helping to build a more just and sustainable world. Through the support it provides, the Foundation fosters the development of knowledge, nurtures individual creativity, strengthens institutions, helps improve public policy, and provides information to the public, primarily through support for public interest media. MacArthur has been a supporter of the opportunity finance field since the early 1980s, investing almost a quarter of a billion dollars in approximately 100 groups nationwide. With assets of more than \$6.4 billion, the Foundation makes approximately \$225 million in grants annually. For more information, visit www.macfound.org.

Opportunity Finance Network: Opportunity Finance Network is a network of private financial intermediaries identifying and investing in opportunities to benefit low-income and low-wealth people in the U.S. The network's financing delivers both sound financial returns and real changes for people and communities. CDFIs in the Opportunity Finance Network originated more than \$11 billion in financing in unconventional urban, rural, and reservation-based markets through 2005. This has generated or maintained 171,146 jobs; 35,451 businesses; 484,943 housing units; and, 5,153 community facility projects. For more information, visit www.opportunityfinance.net.