



COOPERATIVA
COMUNITARIA
LATINA DE CRÉDITO

LATINO COMMUNITY CREDIT UNION

Progress with Dignity / Progreso con dignidad

FINANCIAL ACCESS
FOR IMMIGRANTS:

Innovative Practices

Chicago, April 15-16, 2004

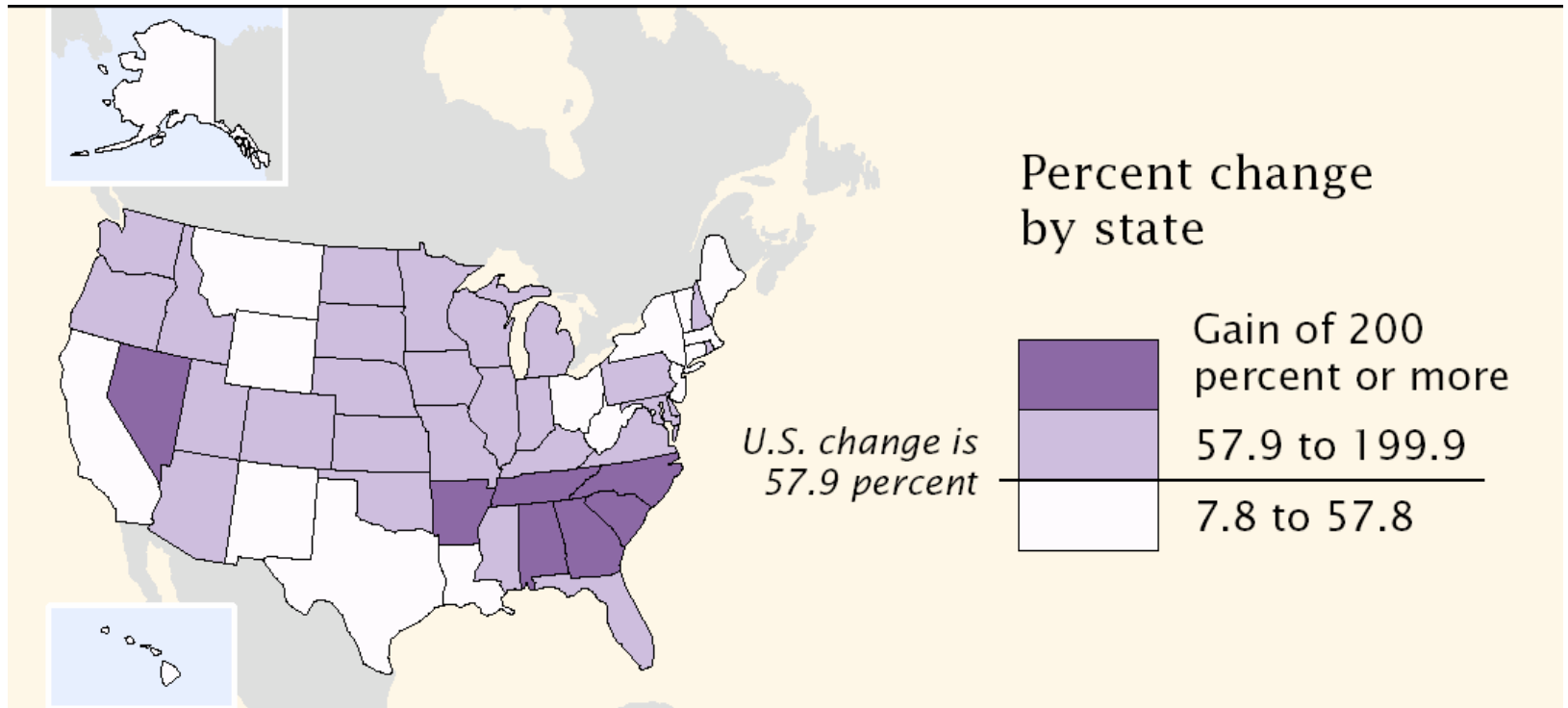
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Quick Facts: Latinos in the United States

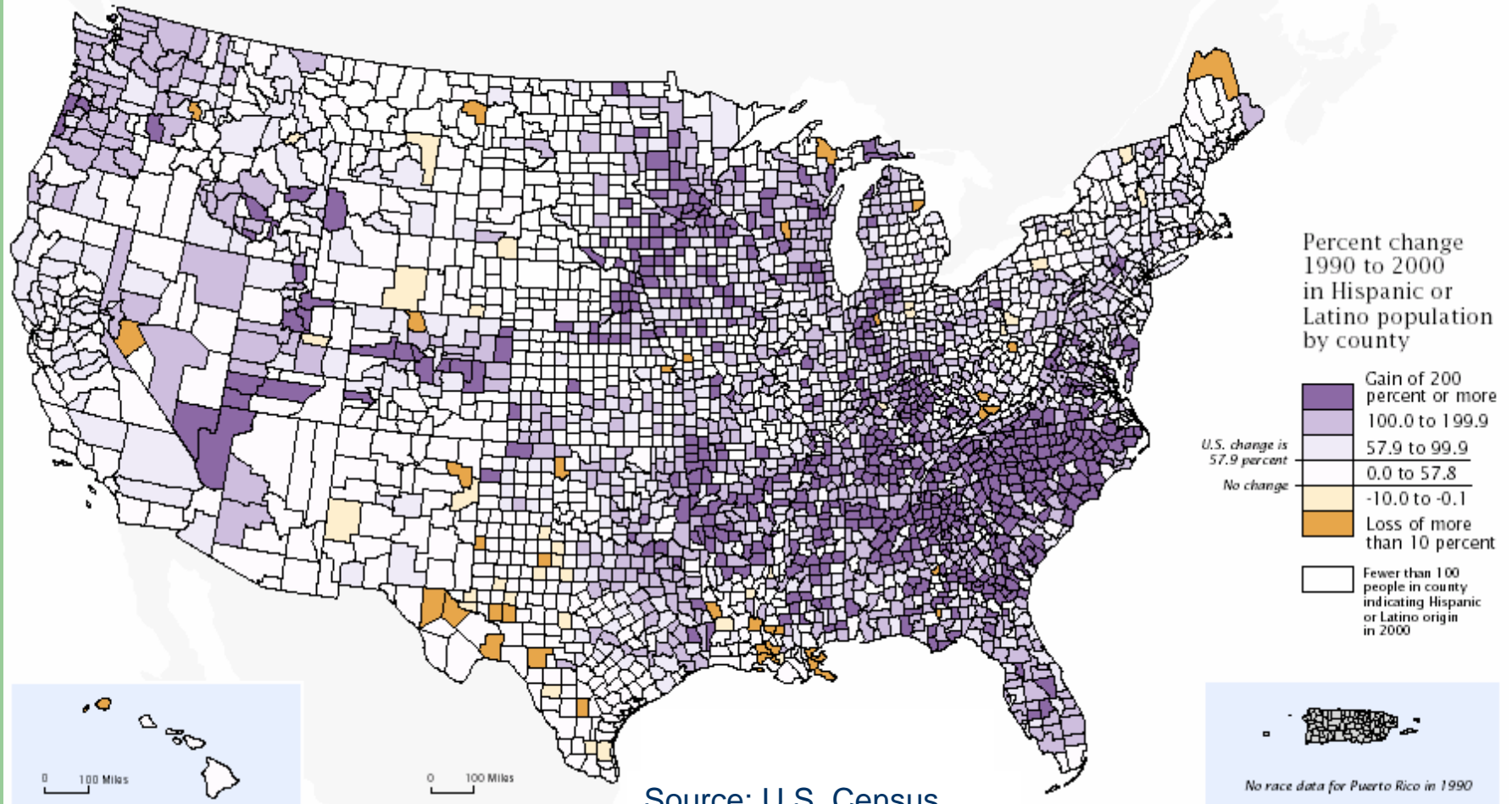
- **Latinos or Hispanic?**
- **Population in the US: Over 35 million and counting**
- **Half of this population is under the age of 20**
- **From 1900-2000, the Latino immigrant population grew more than any other immigrant group**
- **Over 9 million undocumented workers in the US**
- **A projected trillion dollars of purchasing power by 2007**

Latino Population Growth by State



Source: U.S. Census

Latino Population Growth by County



Source: U.S. Census

Latinos in North Carolina

- Over 500,000 Latinos in NC (400% increase over the last 10 years)
- Most Latinos in NC come from Mexico, Honduras, El Salvador, Guatemala & Puerto Rico
- 68% of LCCU members have children under the age of 18
- 63% of LCCU members plan to live in NC permanently

Challenges

- Language barriers
- Cultural barriers
- Education
- Lack of access to and knowledge of financial institutions in the U.S. and in their own country

Lack of Access to Financial Institutions

- Over 50% of Latinos in the U.S. do not have a bank account & **over 75%** in NC
- Not all Banks “can” serve the Latino community
- Victims to predatory lenders and check cashers
- Latinos pay high fees for wire transfers and basic financial services
- Cultural, language and documentation barriers prevent full access to the financial world

Our Approach to the Challenge

- Financial Education: “Building a Better Future”
 - *Classes: budgeting & saving, establishing & maintaining a good credit history, how to buy a car/home, etc.*
- Undocumented individuals can apply for a tax ID number in order to earn interest, create a credit history, apply for a loan, and declare taxes
- Access to affordable credit
- Partnerships with community organizations, foundations, financial institutions, employers and government agencies

What is LCCU?

- Is the first financial institution in the state of North Carolina that focuses on providing economic development and social support to the Latino community.
- Our goal is to educate members so that they can become financially independent and take full advantage of their skills and talents

Brief History of the LCCU

- Latinos in the Raleigh-Durham area were experiencing a high crime rate
- First branch opened in June 2000 in Durham, NC
 - More than 65 institutions and credit unions from all over the U.S. have deposited \$6.3 million
- Second branch in Charlotte, NC in October 2001
- Third branch in Raleigh, NC in November 2002
- Fourth branch in Greensboro, NC in June 2003
- Fifth branch in Fayetteville, NC September 2003
- Today: over \$14.1 million in assets & 16,000 members

Key Partnerships

- NC State Employees' CU: back office support
- Self-Help CU: technical assistance
- El Centro Hispano/Latino Community Development Center: field of membership, community trust & outreach
- NC Minority Support Center: network, minority CU experience, financial support
- Foundations, Churches and Banks: Deposits & Outreach

Who are our Members?

- Community Development CU
- More than 17,000 active members,
- Not all members are Latinos: Kenya (± 400), India, Barbados, Russia, US...
- Fully bilingual staff of 39

Our Products and Services

- Low-balance, interest and non-interest bearing accounts: savings, checking, money market, CDs, and kids and youth accounts
- VISA debit cards
- Worldwide ATM access (free statewide ATM network)
- Credit-builder loans
- Car loans & personal loans
- Home mortgages
- Low-cost money orders (25¢)
- Free check cashing
- Direct deposit
- Low-cost money transfers to 52 countries by IRnet
- Financial education program
- Financial counseling
- Advocacy