North Side Community Federal Credit Union

Providing alternative financial resources to our diverse community...for over 40 years
About North Side CFCU

• 40 year old CDFI credit union.
• 9 employees.
• Serving 4 zip codes on the North Side of Chicago.
• $9.8 million in assets and 3400 members.
• Over 50 SEG partners -- over 70% of those partners work with low-to-moderate income individuals.
• Long history providing innovative products such as the New Americans Loan & Payday Alternatives.
• In- house Housing Counselors; HUD sub-grantee of NFCDCU.
Our Neighborhood

• Uptown – port of entryway for immigrants from Southeast Asia, South & Central America, and South Africa.

• 2 miles from Albany Park, one the most ethnically diverse zip codes in the entire US, and home to the highest concentration of foreign born residents in Chicago.

• Home to the highest concentration of social services in Illinois so many of these immigrants associate with our community in some way.
History of the New Americans Loan

• North Side introduces the New Americans Loan Program in 2007.
• The situation: In the late 90’s, the Chicago metro area experienced a large growth in immigrant population; immigrants accounted for 75% of population increase.
• Cost of and preparation for citizenship test was discovered to be a significant barrier to gaining citizenship.
• Opportunity to provide an important product to an underserved community.
St. Gertrude
March 4, 2007 - 2nd of Sunday in Lent


GOD CONSCIOUSNESS II • TRANSFIGURATION

Hope will do that to you - create a dazzling joyfulness like you see radiating from Maria Noriega, pictured above. Born in Mexico, she has lived here 19 years, working and hoping to become a U.S. citizen. Now, through a joint effort of North Side Federal Credit Union, the Organization of the NorthEast, and Centro Romero, Maria will receive a low-interest loan to pay the citizenship application fee. Why the need for this special loan? Because the fee was raised from $80 to $400 last year, creating a financial barrier for many. The work of those who envisioned this special partnership will help hundreds of immigrants like Maria. More importantly, we, the collective, are Transfigured by it. That is, our true nature -- caring, welcoming, generous -- is given expression in this moment of grace.
Underwriting

• Offer both Citizenship Loans & Deferred Action Loans.
• ITIN accepted as appropriate documentation in place of SSN.
• Check for $680 (cost of citizenship) is provided & made directly to USCIS.
• Credit score: no credit score or above 550 to be eligible for loan.
Underwriting cont...

• Term of the loan can be between 6 mos – 1 year.
• If Credit Score falls below 600, financial coaching is required.
• Currently, member must be referred by a community partner; throughout the history of the loan we determined this is the best way to do our due diligence to ensure the applicants are prepared to pass the test.
• Approximately 40-60 loans written annually
Our Partners

Centro Romero – human service agency serving over 11,000 Latino & immigrant individuals annually by providing comprehensive services to strengthen the lives of their program participants.

“We are happy our relationship with North Side continues because they understand the needs of the community and work with our participants where they are.” – Daysi Fuenes – Executive Director

Other Partners: a community organizing group, a refugee resettlement agency, a non-profit Asset Building program.

Partner agencies screen the potential borrowers:
✓ Have they been in the country long enough to qualify for the citizenship process?
✓ Are there other potential barriers to their eligibility they have not addressed yet?
✓ Are they prepared to pass the exam?

If the partner learns finances are a barrier to citizenship, they refer their client to us for a loan.
Other Services

• Counselors offer First-Time Homebuyers Workshops and Personalized Counseling, Foreclosure Prevention Services, Credit & Budget Counseling, and Financial Education Workshops.

• Almost 30% over these services over the program history has been provided to Non-English speaking, Foreign Born, or with status as Non-Resident or Permanent Alien.
Why offer this loan?

• Helps us target a niche with an important, fair product that meets their need.
• Allows the individual a chance to build a relationship with a financial institution and begin building a credit history
• Creates a loyal member base – members often come back for future loans.
• The immigrant population continues to grow – opportunity to connect financing with mission.

Loan Recipient – Leticia Punto-Perez

“I felt good because I accomplished something I always wanted. I studied a lot to try and not fail the exam.”

Leticia remained a member after paying off her citizenship loan and later took out 3 other loans from North Side.