



## NCUA Media Release

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# \$9.5 Million Available for Low-Income Credit Union Loans from NCUA

**ALEXANDRIA, Va. (Jan. 25, 2013)** – The National Credit Union Administration (NCUA) plans to make \$9.5 million in loans from the Community Development Revolving Loan Fund available to low-income credit unions in 2013.

“Low-income credit unions are extremely important to their communities. They fill a crucial role by providing needed access to financial products and services for individuals of modest means,” NCUA Board Chairman Debbie Matz said. “To help these credit unions to thrive and better serve their members, we’ve worked hard in recent years to make the loans offered through the Revolving Loan Fund more competitive and easier to obtain. I encourage eligible credit unions to apply for the \$9.5 million now available at very low interest rates.”

Operated by NCUA’s Office of Small Credit Union Initiatives (OSCUI), the Revolving Loan Fund assists low-income credit unions in providing financial services to their low-income members to stimulate economic activities in their communities. Generally, NCUA makes five-year loans up to \$300,000, but the loan may exceed this amount on a case-by-case basis. For 2013, NCUA has maintained a record-low, loan interest rate of 0.4 percent for the second year in a row.

“Congress created the Revolving Loan Fund to support credit unions that serve low-income communities, and I encourage eligible credit unions to apply for loans this year,” OSCUI Director William Myers added. “The loans are quite affordable and can be used for a broad array of purposes. For example, credit unions can use these funds to improve member services and have a greater impact in their communities.”

Eligible credit unions have used loans under this program for several purposes, including:

- Funding loan demand;
- Providing liquidity for expansion; and
- Increasing net income through earnings on the loan funds.

To obtain a loan, a federally insured credit union must have the low-income designation. Loans will be made on a rolling basis. NCUA will accept loan applications through the rest of 2012 or when funds are exhausted. An online loan application and other information are available [here](#).

NCUA’s OSCUI fosters credit union development and the effective delivery of financial services for small credit unions, new credit unions and credit unions with a low-income designation.

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*NCUA is the independent federal agency created by the U.S. Congress to regulate, charter and supervise federal credit unions. With the backing of the full faith and credit of the U.S. Government, NCUA operates and manages the National Credit Union Share Insurance Fund, insuring the deposits of nearly 94 million account holders in all federal credit unions and the overwhelming majority of state-chartered credit unions.*

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