

**WACHOVIA NEXT AWARDS FOR OPPORTUNITY FINANCE HONOR
TWO OUTSTANDING COMMUNITY DEVELOPMENT FINANCIAL
INSTITUTIONS WITH \$8.25 MILLION**

*Awards go to the Community Loan Fund and Federation of Appalachian
Housing Enterprises*

NEW YORK—Two of the nation's top-performing Community Development Financial Institutions (CDFIs)—New Hampshire-based Community Loan Fund and Kentucky-based Federation of Appalachian Housing Enterprises (FAHE)—are the recipients of the 2009 Wachovia NEXT Awards for Opportunity Finance. The two CDFIs will receive \$8.25 million in grants and low-cost loans and will be honored on Wednesday, October 28th at the Opportunity Finance Network (OFN) Conference in Charlotte, North Carolina.

The Community Loan Fund will receive \$5.5 million—a \$5 million low-cost loan and a \$500,000 unrestricted grant. The Community Loan Fund was selected for its expansion of an innovative financing program for manufactured housing mortgage loans, which has the potential to change mortgage financing in the manufactured home sector across the U.S. The Community Loan Fund turns investments into fixed-rate loans and education to create opportunity and transform the lives of people across New Hampshire. Since 1984 the Community Loan Fund has enabled 93 manufactured housing communities throughout New Hampshire, or 20 percent of the market in that state, to convert to resident ownership. The Community Loan Fund has financed more than 1,400 loans totaling more than \$100 million, and leveraging more than \$348 million, to build housing, create jobs, and support essential services like child care and community facilities.

FAHE will receive \$2.75 million—a \$2.5 million low-cost loan and a \$250,000 unrestricted grant. The Selection Committee chose FAHE for its innovation and bold strategy in eliminating substandard housing conditions prevalent in the Central Appalachian region. FAHE is the largest provider of community investment capital in highly distressed Central Appalachia. Last year, FAHE provided \$41 million in direct financing and its members produced 3,800 housing units. This figure is on target against FAHE's bold goal to quadruple their performance and achieve 8,000 housing units annually by 2015.

CDFIs are market-driven, private sector institutions dedicated to meeting the financial needs of disadvantaged and hard-to-serve markets nationwide. They include banks, credit unions, loan funds, and venture capital funds. There are more than 700 CDFIs in the United States.

Since 2007, the Wachovia NEXT Awards for Opportunity Finance in partnership with the John

**Selection Committee
2009**

Frank DeGiovanni
Ford Foundation

Lautaro Diaz
National Council of La Raza

Martin Eakes
Self-Help

Sister Corinne Florek, OP
Mercy Partnership Fund

Joe Hasten
ShoreBank Corporation

Jackie Khor
Imprint Capital Advisors

Eugene Ludwig
Promontory Interfinancial Network

Jeremy Nowak
The Reinvestment Fund

Sharon Oster
Yale University

Mark Pinsky
Opportunity Finance Network

Michael Rizer
Wachovia, A Wells Fargo Company
Co-Chair, Selection Committee

Debra Schwartz
MacArthur Foundation
Co-Chair, Selection Committee

Julia Stasch
MacArthur Foundation

Eileen Stenerson
Wachovia, A Wells Fargo Company

Christa Velasquez
The Annie E. Casey Foundation

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D. and Catherine T. MacArthur Foundation, has been run by and funded through OFN with support from the Wachovia Foundation and the John D. and Catherine T. MacArthur Foundation. The program recognizes excellence within the CDFI field and is designed to propel high-potential organizations to a next level of growth, success, and staying power.

A distinguished national selection committee chose the two recipients from a highly competitive field of seven semi-finalist organizations. The award amounts are based on each organization's asset size—\$5.5 million for CDFIs with assets over \$50 million and \$2.75 million for those with assets in the \$10-\$50 million range.

"Each award recipient has blazed an unlikely trail on solid ground against expectations," said Mark Pinsky, president and CEO of the Philadelphia-based OFN, the leading national network of high-performance CDFIs. "These awards recognize the outstanding achievements and extraordinary future potential of two leading CDFIs. The Wachovia NEXT Awards also spotlight how the entire opportunity finance field benefits our nation's economy through responsible lending, investing, and financial services."

"We congratulate the Community Loan Fund and FAHE on their exceptional accomplishments in helping to transform underserved communities," said Michael Rizer, executive vice president for Wachovia, a Wells Fargo Company. "We're proud to continue our long-standing support for the opportunity finance industry with our investment in the Wachovia NEXT Awards for Opportunity Finance, which helps innovative, up-and-coming CDFIs grow and create even more economic opportunity for families and communities through access to credit."

"The services provided by CDFIs are especially critical today, as the country struggles with the economic crisis and access to capital is constrained," said Debra Schwartz, director of program related investments for the MacArthur Foundation. "We hope these awards will help more policymakers and investors appreciate the vital role that CDFIs play in our financial system and the valuable contributions they are poised to make in the years ahead."

Last year's awardees were IFF, based in Illinois and Homewise, Inc., located in New Mexico. IFF is using its \$5.5 million award to support staff investments needed to expand its geographic, financing, and policy reach and to support their goal of doubling financing throughout the five-state region of Illinois, Missouri, Iowa, Indiana, and Wisconsin. Homewise is using its \$2.75 million award to build organization infrastructure to expand geographically and replicate its unique, vertically integrated housing model with other CDFIs. They are also expanding their home purchase and improvement loans products in New Mexico.

Headshots of Juliana Eades, president of the Community Loan Fund, and Jim King, president and CEO of FAHE are available at <http://www.nextawards.org/news/photos.asp>.

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MEDIA BACKGROUNDER:

ABOUT THE RECIPIENTS OF THE 2009 WACHOVIA NEXT AWARDS

New Hampshire Community Loan Fund (Community Loan Fund), based in Concord, New Hampshire, received a **\$5.5 million** award. Founded in 1983, the Community Loan Fund turns investments into fixed-rate loans and education to create opportunity and transform the lives of people across New Hampshire. With \$59 million in assets, the Community Loan Fund is recognized for its pioneering work in financing resident-owned manufacturing housing communities converting from investor-ownership. The Community Loan Fund has advanced its financing activity with a string of state-level legislative successes and through intense technical support for manufactured housing community homeowners. It has broadened its impact in the sector by offering a mortgage loan program for home buyers in cooperatively owned manufacturing home communities, creating a secondary market for such loans with a group of banks. In addition, the Community Loan Fund has launched a pilot program with Fannie Mae to provide conventional mortgage loans to manufactured housing homeowners. Other financing projects include Individual Development Accounts (IDAs) and loans to nonprofit housing developers, community facilities, and small businesses.

Since 1984 the Community Loan Fund has enabled 93 manufactured housing communities throughout New Hampshire, or 20 percent of the market in that state, to convert to resident ownership. The Community Loan Fund has financed more than 1,400 loans totaling more than \$100 million, and leveraging more than \$348 million, to build housing, create jobs, and support essential services like child care and community facilities.

Federation of Appalachian Housing Enterprises (FAHE), headquartered in Berea, Kentucky, received the **\$2.75 million** award. FAHE was established in 1980 to provide a cooperative, unified voice to eliminate the substandard housing conditions prevalent in the Central Appalachian region. FAHE is a member-based network that includes housing authorities, developers, and community action agencies that share a commitment to increasing safe, decent, and affordable housing in Appalachia. FAHE provides loans and equity products to its member organizations to support rental housing and community facilities. FAHE also offers home loans directly to individuals through its mortgage division, JustChoice Lending, a certified Fair and Safe lender. FAHE also provides training, consulting services, loan servicing, and public policy advocacy. With total assets of \$41 million FAHE serves the states of Kentucky, Tennessee, Virginia, and West Virginia.

Last year, FAHE provided \$41 million in direct financing and its members produced 3,800 housing units. This figure is on target against FAHE's bold goal to quadruple their performance and achieve 8,000 housing units annually by 2015.

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