



Community Development Financial Institution



2010 Impact Report

Our Commitment to Your Dreams

Clearinghouse CDFI
provides economic
opportunities and improves
the quality of life for
lower-income individuals
and communities through
innovative and affordable
financing that is unavailable
in the conventional market.

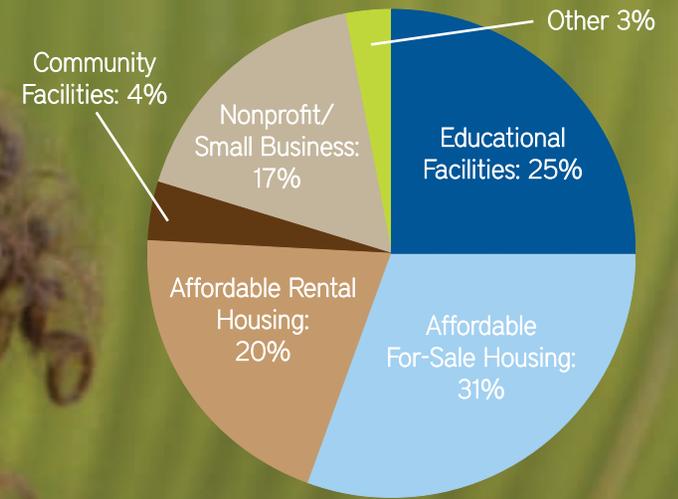


HISTORICAL IMPACT

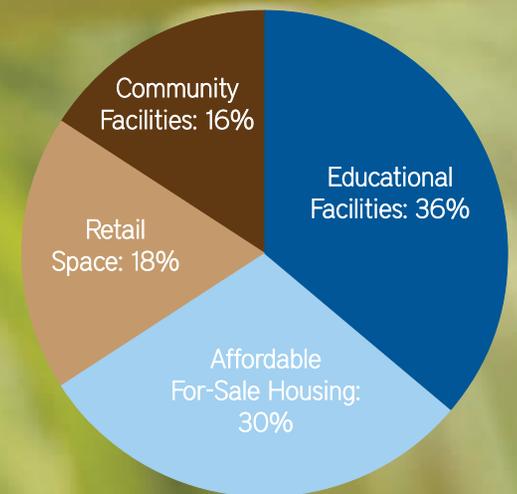
- 287,500 Individuals Served
- 4,500 Jobs Created or Retained
- 3,250 Affordable Housing Units
- 6,975,000 Square Feet Developed or Rehabilitated



2010 Core Lending



2010 NMTC Lending



“To accomplish great things, we must not only act, but also DREAM; not only plan, but also believe.”

ANATOLE FRANCE

IMPACT REPORT SUMMARY



Clearinghouse CDFI is a certified Community Development Financial Institution with a history of providing loans that benefit low-income communities and families throughout California since 1996. We have financed many high-impact projects through both our Core and New Markets Tax Credit (NMTC) lending programs. Cumulatively through inception, we have funded over \$760 million in loans and equity investments, addressing unmet credit needs in low-income and distressed communities.

In 2010, Clearinghouse CDFI financed over \$130 million in loans and investments generating tangible impacts in low-income communities. Our 2010 lending supported community services and facilities serving over 20,000 individuals, the development of 200 affordable housing units, the construction or rehabilitation of over 700,000 square feet of living, community, and retail space, and the creation of 500 jobs.

We finance three broad categories of borrowers through our Core lending program: community service providers, affordable housing developers, and small businesses. In 2010, Clearinghouse CDFI funded 65 Core loans totaling \$25 million.

Clearinghouse CDFI utilizes New Markets Tax Credits to finance a variety of larger projects such as community facilities, commercial real estate developments, affordable for-sale housing, and adaptive re-use projects. In 2010, we financed over \$105 million in NMTC projects through 17 loans.

Clearinghouse CDFI is committed to our borrowers and their dreams of community development. The focus of our 2010 lending included:

- Revitalizing communities suffering from foreclosures
- Supporting affordable housing for low-income families and individuals
- Developing high-quality schools and other community facilities
- Financing nonprofit organizations and small businesses
- Promoting job creation and economic development in distressed areas

AFFORDABLE HOUSING

Our Commitment: Revitalizing Neighborhoods

Affordable For-Sale Housing

The development of affordable for-sale housing stabilizes communities and supports homeownership opportunities for low-income families. Clearinghouse CDFI financed \$40 million for the creation of affordable for-sale housing in 2010. Our borrowers created 200 units of affordable for-sale housing and 170 construction jobs, through both rehabilitation and new construction.

Clearinghouse CDFI lending activities for the development of affordable for-sale housing since inception totaled \$72 million. Over 430 units of affordable for-sale housing were developed for low-income individuals.

“You assist in making the DREAM of homeownership come true! May Clearinghouse CDFI have years filled with dream making projects ahead. We appreciate your investment in us.”

HOMEOWNER
PASADENA, CA



Purchase, Rehab, Resale Program

In an effort to stabilize neighborhoods affected by the foreclosure crisis, Clearinghouse CDFI expanded our affordable housing loan program to provide lines of credit for purchase and rehabilitation of single family homes.

In 2010, Clearinghouse CDFI financed \$7.8 million through these lines of credit, which resulted in the rehabilitation of 45 homes and 65,000 square feet of living space. These homes were then sold to low- and moderate-income, first-time homebuyers.



Homeownership

Clearinghouse CDFI serves low- and moderate-income families by providing below-market, fixed rate mortgage loans. In 2010, this lending activity totaled \$6.6 million and assisted 41 families with the purchase of their new home.

Over 90% of these borrowers were low- to moderate-income, including very low-income families earning less than 50% of area median income. Additionally, over half of the borrowers reside in rural areas. Cumulatively, Clearinghouse CDFI funded over \$245 million in first-time homebuyer loans, assisting over 850 families that otherwise could not qualify for homeownership.



Your Dream: Habitat for Humanity Multiple Locations, CA (NMTC)

Habitat for Humanity's mission is to build simple, decent, affordable homes for those who lack adequate shelter. In 2010, Clearinghouse CDFI provided \$25 million in New Markets Tax Credits to four Habitat for Humanity (HFH) affiliates for the development of affordable, sustainable, for-sale housing.

The 95 homes built using NMTC financing will be sold to low-income homebuyers earning between 30% and 80% of area median income. Many of these households are single parent families with young children residing in substandard conditions. Habitat for Humanity provides homebuyers with affordable housing and a sense of community and stability. The results are safer neighborhoods with decreased crime rates and increased community investment.

2,800

Affordable Rental Units

200

Housing Units for
Developmentally Disabled

Historical
Impact

AFFORDABLE HOUSING

Our Commitment:

Establishing Stable Communities

Affordable Rental Housing

Quality, affordable housing is the foundation for building healthy communities. Clearinghouse CDFI financing totaled \$5.3 million in 2010 for the development of affordable rental housing. Our 2010 borrowers developed 50 units of rental housing affordable to individuals and families earning less than 80% of area median income.

Since inception, Clearinghouse CDFI has financed 190 loans totaling \$86.9 million for construction and/or rehabilitation of affordable rental housing. These projects have created or preserved 2,800 affordable housing units and developed over 3.5 million square feet of living space.

"The initial loan with Clearinghouse CDFI allowed HOPE to purchase seven homes utilizing the State's Community Placement Plan funds. It truly made all the difference for the organization and the individuals HOPE is now able to support. Great partnerships make great things happen!"

HOME OWNERSHIP FOR PERSONAL EMPOWERMENT
TORRANCE, CA (CORE)

Group Homes

In addition to affordable rental housing for low-income individuals and families, Clearinghouse CDFI actively pursues lending for projects that provide group homes for the developmentally disabled. In 2010, Clearinghouse CDFI funded \$3.8 million to nonprofit housing developers for the acquisition and rehabilitation of homes for these individuals.

These service-enriched homes provide healthier living environments and are significantly less expensive to operate and maintain than large, institutionalized centers. Since inception, these loans have supported over 200 units of affordable housing for the developmentally disabled.



Your Dream: Home Ownership for Personal Empowerment - Torrance, CA (Core)

Home Ownership for Personal Empowerment (HOPE) believes that all persons, no matter the severity of their disability, have the right to live where and with whom they choose as an active part of the community. Clearinghouse CDFI provided a \$3 million line of credit to HOPE for the purchase and rehabilitation of single family homes to be used as group homes.

With the assistance of our financing, HOPE created over 25 units of affordable housing for the developmentally disabled. Individuals living in institutionalized state development centers were able to relocate and reside in homes that include support services 24 hours a day, 7 days per week. Each home is located in a safe neighborhood in close proximity to public transportation, grocery stores, and other important resources.





160,000
Individuals Served

213,000
Sq. Ft. of Community
Facility Space

**Historical
Impact**

COMMUNITY FACILITIES

**Our Commitment:
Supporting Essential Services**



Clearinghouse CDFI community facility lending encompasses a wide variety of projects including faith-based facilities, childcare centers, healthcare facilities, and community and cultural centers. Clearinghouse CDFI has financed a total of \$38 million since inception for the development of community facilities.

These facilities provide vital services for low-income individuals and communities. Our cumulative lending supported the development of 213,000 square feet of community facility space and our borrowers serve 160,000 individuals annually.



“When we started looking for a loan, it took us a whole year. At first we didn’t believe it was going to come true. But now, just looking at the things that this [Clearinghouse] loan is able to accomplish for us - it’s amazing! Thanks so much for giving us the opportunity to complete our legacy and make our DREAMS come true.”

PASTOR, SAMOAN CONGREGATIONAL COMMUNITY CHURCH
CARSON, CA (CORE)



EDUCATIONAL FACILITIES

Our Commitment:
Creating Opportunities to Succeed



Clearinghouse CDFI recognizes the critical need in low-income communities for quality education. In 2010, our educational facility lending totaled \$44.5 million. These loans financed the development of educational facilities, including those operated by high-performing charter schools. As a result of this financing, 2,000 student spaces were retained, 1,300 student spaces were created, and 70 new jobs for teachers and support staff were generated.

Cumulatively, Clearinghouse CDFI has funded \$61 million for the development of high-quality educational facilities in low-income communities. Our lending resulted in the creation or rehabilitation of 534,000 square feet of educational space with the capacity to serve 6,500 low-income and disadvantaged students.

6,500
Student Spaces

200
New Jobs for Teachers
and Support Staff

**Historical
Impact**

Your Dream: Orange County High School of the Arts - Santa Ana, CA (NMTC)

Orange County High School of the Arts (OCHSA) is a public charter school that offers a comprehensive academic and arts curriculum to bright and talented students in grades 7 through 12. Clearinghouse CDFI provided \$30 million of New Markets Tax Credits (NMTC) to OCHSA to finance the acquisition of additional buildings and renovate the campus.

Our NMTC financing allowed OCHSA to increase enrollment, expand its programs, provide professional-grade facilities for its students, and generate new jobs for teachers and support staff. Currently, OCHSA serves 1,550 students with a creative, challenging, and nurturing environment, and will increase its capacity by 400 student spaces in the near future.



SMALL BUSINESS & NONPROFIT FINANCING

Our Commitment: Addressing Unmet Credit Needs

Clearinghouse CDFI provides financing to nonprofit organizations and small businesses for working capital and other needs as part of our mission. In 2010, lending activity for nonprofit and small business totaled \$4.4 million. The majority of this lending was to nonprofit borrowers for facility acquisition. These borrowers serve 17,000 community members through their newly acquired operational facilities.

Since inception, Clearinghouse CDFI has funded over \$32 million to nonprofits and small businesses for working capital, program expansion, acquisition of operational facilities, and other financing needs. These organizations serve approximately 120,000 individuals and our cumulative financing resulted in the acquisition and rehabilitation of 757,000 square feet of operational space.

520
Jobs Created or Retained

120,000
Individuals Served

Historical
Impact



Your Dream: Merced County Community Action Board - Merced, CA (CORE)

The Merced County Community Action Board (MCCAB) uplifts the impoverished in Merced County through a combination of services related to employment, nutrition and health, childcare and housing assistance. In 2010, Clearinghouse CDFI funded a \$1.2 million loan to this nonprofit organization allowing them to acquire a new headquarters and add two social service programs.

This location is more accessible to low-income individuals, including pregnant women, infant children, and at-risk individuals. By owning the property, MCCAB will build equity in a desirable asset and also have a more client-friendly location.



2,400
Jobs Created or Retained

1.3 Million
Sq. Ft. of Retail, Industrial,
and Office Space

**Historical
Impact**

"It is a DREAM come true for me. I started realizing that over the years I started getting so big out of my house that we really needed to go into a storefront. I will be developing about ten jobs to start off with, and who knows after that. We may expand into needing more people."

**RAE'S CUP + CAKE BAKESHOP, LANCASTER PROMENADE
LANCASATER, CA (NMTC)**

COMMERCIAL REAL ESTATE DEVELOPMENT

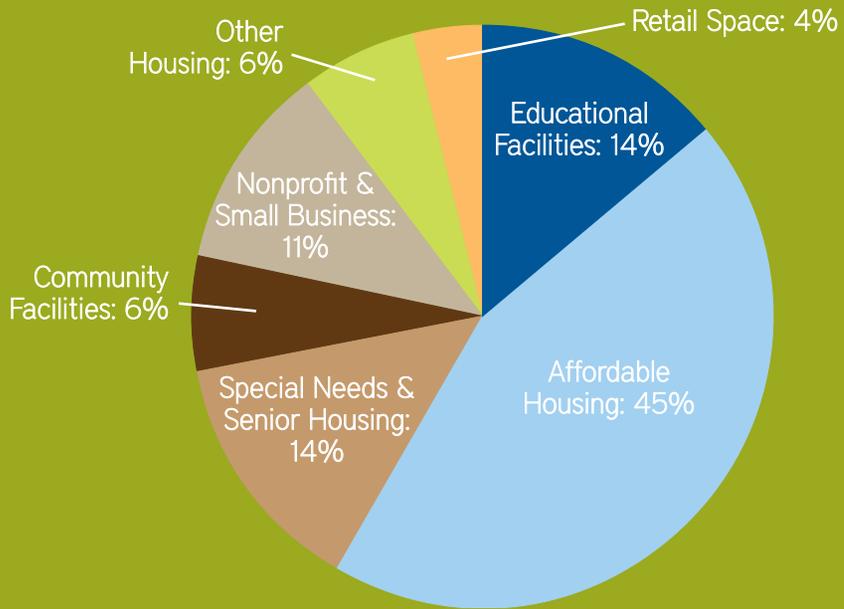
**Our Commitment:
Economic Development and Job Creation**

Clearinghouse CDFI promotes job creation and economic development in low-income communities by financing the construction and rehabilitation of commercial, office, and retail centers. These projects provide new permanent jobs, needed services, increased tax revenues, and economic opportunities within severely distressed communities. Clearinghouse CDFI financed \$35.8 million for the acquisition and/or construction of commercial real estate developments, which created 150 permanent and construction jobs in 2010.

The majority of commercial and retail development projects are financed utilizing New Markets Tax Credits. Clearinghouse CDFI has financed loans and equity investments totaling \$211.7 million for commercial real estate since inception. Our cumulative lending has resulted in the creation or retention of 1,600 permanent jobs and 850 construction jobs, as well as the construction or rehabilitation of 1.3 million square feet of retail, industrial, and office space.

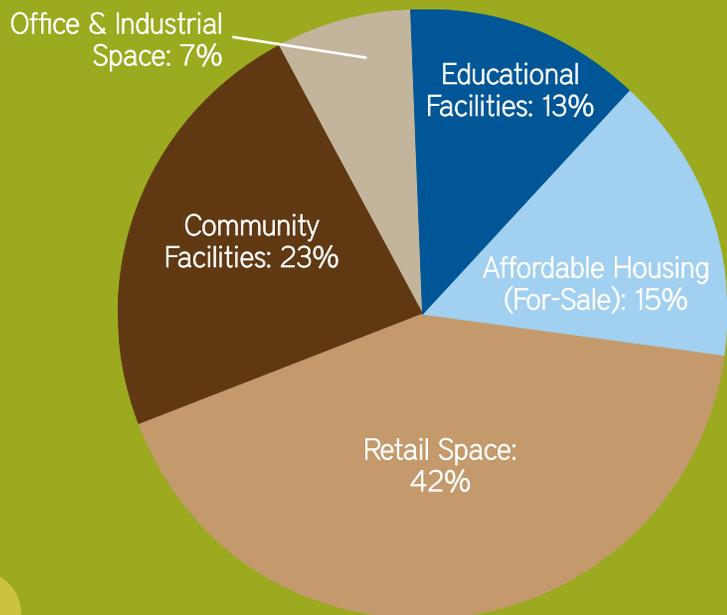
Core Lending Portfolio

at
December 31, 2010



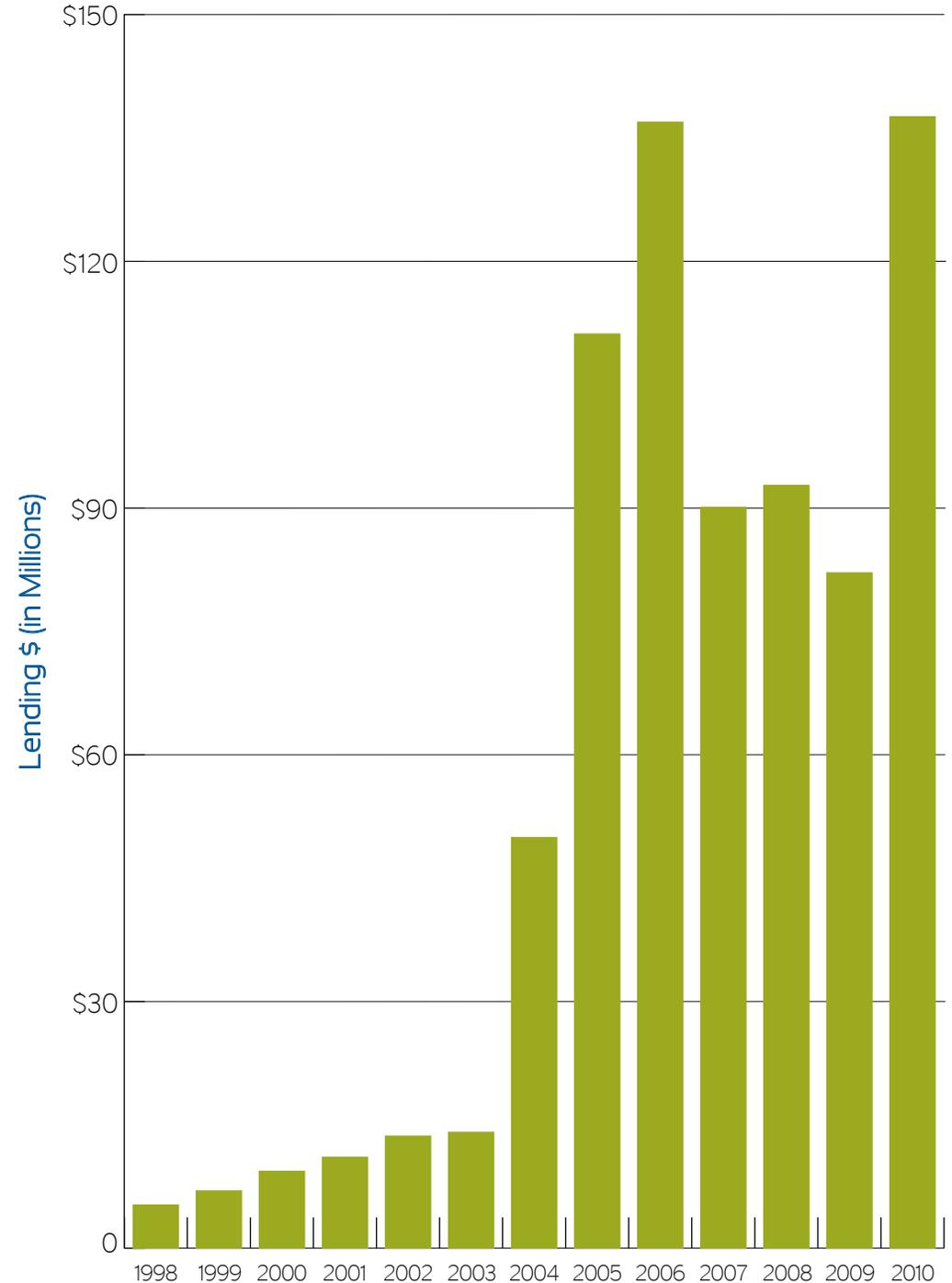
NMTC Lending Portfolio

at
December 31, 2010



Lending Overview

Inception through 2010





Our Commitment to Your
DREAMS



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