

Clearinghouse CDFI Closes \$100 Million U.S. Treasury Bond to Finance Community Development Projects in California, Arizona, New Mexico, and Nevada in 2015-16

LAKE FOREST, CA – September, 29 2015 – Clearinghouse Community Development Financial Institution ([Clearinghouse CDFI](#)), —a mission-based financial institution serving low- to moderate-income communities in California, Arizona, New Mexico, Nevada, and Sovereign Nations—announced today that it has closed a \$100 million bond from the [United States Treasury Department's CDFI Bond Guarantee Program \(BGP\)](#). This is the second time that Clearinghouse CDFI has been named a bond recipient. Clearinghouse CDFI will use the bond to finance community development projects in underserved areas throughout California, Arizona, New Mexico, Nevada, and Sovereign Nations. [Opportunity Finance Network \(OFN\)](#) will serve as the Qualified Issuer (QI).

Enacted as part of the Small Business Jobs Act, the CDFI Bond Guarantee Program (BGP) is an innovative federal credit program that is designed to function at zero cost to taxpayers. It provides eligible CDFIs access to long-term capital to encourage economic growth and development. Eligible CDFIs must demonstrate financial strength, experienced management, and provide strong collateral to be considered for the BGP. Clearinghouse CDFI met the rigorous qualification standards in 2013 and was approved to participate in the program's inaugural round. In August 2014, Clearinghouse CDFI became the first institution to close a BGP bond.

“We are grateful that for the second year in a row, the U.S. Treasury has selected us to be a recipient of its innovative bond program,” said Clearinghouse CDFI President and CEO Douglas Bystry. “These dollars will bring real change to the communities we serve.”

Clearinghouse CDFI recently announced that it became the first CDFI to draw \$50 million in funds from its previous bond allocation. It has since financed several additional loans, for a total of 30 loans in 20 municipalities with U.S. Treasury BGP funds. These loans, ranging in amount from \$146,000 to \$5.7 million, will benefit more than 160,000 individuals.

Examples include:

- [Childhelp](#) – In addition to an \$8.23 million loan, Clearinghouse CDFI made a \$340,000 grant to this national nonprofit organization to support the treatment and prevention of abused and neglected children.
- [Co-West Commodities](#) – A \$3 million loan for new commercial facilities that will bring clean energy resources, greenhouse gas reductions, recycling and waste management, and wastewater treatment to the surrounding area.
- [Shields Housing Corporation](#) – A \$1.25 million loan to acquire a new building will allow Shields to provide healthcare, counseling, and education services to extremely at-risk individuals in Lynwood, California.
- [Washoe Travel Plaza](#) – A \$5.6 million loan for the development of the Washoe Travel Plaza on Native American reservation land will help provide a sustainable source of revenue for this Nevada and California tribe. This is the first use of BGP funds in a Sovereign Nation.

“Our mission is to provide economic opportunities, improve quality of life, and support communities through innovative financing that is unavailable in the conventional market,” added Bystry. “These U.S. Treasury bond funds help us to fulfill our mission.”

Opportunity Finance Network (OFN) is the national network of performance-oriented CDFIs that provide affordable, responsible financial products and services to low-income, low-wealth, and other disadvantaged people and communities. As this is a transformative source of capital for the CDFI industry, OFN has led—and continues to lead—industry efforts related to the BGP, from initial efforts to get the legislation created and passed, to the promulgation of the rules, to the inaugural set of Bond Issuances.

Cathy Dolan, Chief Operating Officer for OFN, said, “Clearinghouse is a trailblazer. By being the first to close two bonds, Clearinghouse is demonstrating how blighted communities from Los Angeles to Las Vegas and across Native American tribal lands can be transformed by having access to affordable, long-term capital. OFN is proud to have issued both bonds for Clearinghouse CDFI, which brings a total of \$200 million in new fixed-rate, long term, government-guaranteed financing to support or create affordable housing and commercial real estate in distressed communities in California, Nevada, and tribal lands.”

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ABOUT CLEARINGHOUSE COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION:

Clearinghouse Community Development Financial Institution (Clearinghouse CDFI) addresses unmet credit needs in California, Nevada, Arizona, New Mexico, and Sovereign Nations in the Western United States. Rated ‘AA’ Stable by Standard & Poor’s Ratings Services, Clearinghouse CDFI is an industry leader helping to bridge the gap between conventional lending standards and the needs of low-income and distressed communities. Over the course of 19 years, Clearinghouse CDFI has funded \$1.1 billion in total loans which have created or retained more than 12,100 jobs and benefit over 998,925 individuals. Clearinghouse CDFI is also a B Corp—a certification received from the nonprofit B Lab. B Corps are companies who meet rigorous standards of social and environmental performance, transparency, and accountability, and use business as a force for good. Today, Clearinghouse CDFI has over \$232 million in assets. More information is available at: www.clearinghousecdfi.com.

ABOUT OPPORTUNITY FINANCE NETWORK:

Opportunity Finance Network (OFN), the leading national network of private financial institutions, creates growth that is good for communities, investors, individuals, and the economy. Members of OFN are community development financial institutions (CDFIs) that deliver responsible lending to help low-wealth and low-income communities join the economic mainstream. Through 2013 OFN's network originated \$34 billion in financing in urban, rural, and Native American communities. This financing has helped to create or maintain more than 720,000 jobs, start or expand nearly 120,000 businesses and microenterprises, and support the development or rehabilitation of nearly 1.5 million housing units and 9,500 community facility projects. For more information, visit ofn.org.

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