



Clearinghouse CDFI Closes First Opportunity Zone Development

Institution plans to develop multiple projects throughout the country

LAKE FOREST, CA, December 5, 2019: Clearinghouse Community Development Financial Institution (Clearinghouse CDFI) announced today that it has closed on a 31-unit multi-family new construction project located in the Koreatown neighborhood of Los Angeles. This project is one of the first of its kind in the nation, as a CDFI-sponsored Opportunity Zone project. The financing structure included investments from two separate parties seeking capital-gains tax relief through the Opportunity Zone structure.

“Launching Opportunity Zone projects is another way to deploy capital into the communities that need it the most” said Doug Bystry, President and CEO of Clearinghouse CDFI. “We hope that the closing of this first project will attract other investors seeking to benefit from the tax relief program. We have a strong pipeline of great projects that qualify as Opportunity Zone eligible.”

The primary Opportunity Zone investment in the property was facilitated by APEX Pacific Partners Advisors. APEX is a private real estate company that invests in multi-family apartments, office buildings, retail and hotel assets and development opportunities in major gateway cities and growth markets in the West Coast and Southwestern United States.

“We are extremely pleased to partner with Clearinghouse CDFI in its first Opportunity Zone development,” said Rei Umekubo, Managing Principal of APEX. “We believe this is an excellent chance to partner with an industry leading developer that complements a community approach with an attractive investment opportunity.”

Koreatown, like other areas of southern California, is experiencing a severe housing shortage. The currently vacant parcel, located at 744 S. Mariposa Avenue, will be developed into new studio and one-bedroom apartment units over two levels of parking. The census tract for this location has an income level less than half of the state average and a poverty rate of over 1.5 times the California average. Additionally, the site is located near an elementary school and public transportation.

“Los Angeles is experiencing a severe housing shortage. Our development of this property—from vacant land into transit-oriented, community housing—will help address a critical need,” said Bystry.

Clearinghouse CDFI is a local leader in community finance—previously utilizing the New Markets Tax Credit (NMTC) program to finance the first NMTC for-sale affordable housing project ever. That project was developed by Heritage Housing, a non-profit organization located in Pasadena.

More than 50 financial institutions and community foundations invest in Clearinghouse CDFI. The organization’s largest Class A shareholders are CIT Bank, Wells Fargo, Western Alliance Bank, and Cathay Bank.



Clearinghouse CDFI has funded \$1.8 billion in total loans for over 1,860 community projects over the past 23 years. These projects have created or retained more than 20,000 jobs and benefit over 1.8 million individuals. This includes the rehabilitation of more than 18 million square feet of blighted properties. These projects have benefited over 670 separate underserved communities throughout California, Nevada, Arizona, New Mexico, and Indian Country.

About Opportunity Zones:

An Opportunity Zone is an economically distressed community where new investments, under certain conditions, may be eligible for preferential tax treatment. Localities qualify as Opportunity Zones if they have been nominated for that designation by the state and that nomination has been certified by the Secretary of the U.S. Treasury via his delegation authority to the Internal Revenue Service. More information is available on the [CDFI Fund website](#).

About Clearinghouse Community Development Financial Institution:

Clearinghouse Community Development Financial Institution (Clearinghouse CDFI) addresses unmet credit needs in California, Nevada, Arizona, New Mexico, and Indian Country in the [Western United States](#). For over 23 years, Clearinghouse CDFI has helped bridge the gap between conventional lending standards and the needs of low-income and distressed communities. 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. More information is available at: www.ccdfi.com.

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