



Clearinghouse Community Development Financial Institution

Clearinghouse CDFI Secures \$3 Million for Affordable Housing Development

Award from the United States Treasury Capital Magnet Fund Program is expected to create or preserve more than 268 affordable rental housing units for very low-income individuals and low-income families

LAKE FOREST, CA – March 19, 2020 – Clearinghouse Community Development Financial Institution (Clearinghouse CDFI) announced today that it was awarded \$3 million from the United States Treasury Community Development Financial Institution Fund (CDFI Fund). Clearinghouse CDFI will use the award to finance the development of affordable housing, targeting projects which benefit homeless and other disenfranchised populations in California, Arizona, Nevada, and New Mexico. Clearinghouse CDFI expects to leverage the award to at least ten times its value with private capital to create or preserve 268 affordable rental housing units for low- and very-low income individuals and families.

“We are experiencing a nationwide shortage of affordable housing, especially in Southern California, which will have a shortfall of 5,000 affordable housing units for the homeless despite extensive public funding,” said Douglas Bystry, President and Chief Executive Office of Clearinghouse CDFI. “We are especially grateful to the CDFI Fund for this award. We will leverage it to finance hundreds of new, critically important, affordable housing units in the communities we serve.”

Clearinghouse CDFI has extensive experience financing affordable housing in these markets, having provided \$418 million in lending to projects to date.

“We hope to partner with affordable housing developers to create as many units as possible in the areas that need quality, affordable housing,” said Bystry. “This award will allow us to eliminate the financing challenges experienced by many borrowers, and fund projects that we otherwise could not.”

The award was part of a larger CDFI Fund award of \$130.9 million to 23 CDFIs and 15 nonprofit housing organizations through the fiscal year 2019 round of the Capital Magnet Fund program.

The Capital Magnet Fund (CMF) helps low-income families and economically distressed communities by attracting investments for affordable housing and related economic development. CMF provides competitively awarded funding to CDFIs and qualified nonprofit housing organizations to develop, rehabilitate, preserve, and purchase affordable housing for low-, very low-, and extremely low-income families. CMF awards can be used to finance affordable housing activities as well as related economic development and community service facilities.

The awardees are required to leverage their awards with other private and public investment by at least 10 to 1, guaranteeing that a minimum of \$1.3 billion will be invested in eligible projects across the United States. For the FY 2019 round the awardees anticipate that almost \$4 billion will be invested in total, including more than \$3 billion in private investment.

“I am pleased to recognize the FY 2019 Capital Magnet Fund awardees,” said CDFI Fund Director Jodie Harris. “At the CDFI Fund we are committed to expanding economic opportunity for underserved people and communities. The FY 2019 Capital Magnet Fund awards will support the development of thousands of affordable homes for low-income Americans in communities across the country.”



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Clearinghouse CDFI has funded \$1.9 billion in total loans for over 1,900 community projects over the past 24 years. These projects have created or retained more than 21,500 jobs and benefit over 1.9 million individuals. This includes the rehabilitation of more than 18 million square feet of blighted properties. These projects have benefited over 700 separate underserved communities throughout California, Nevada, Arizona, New Mexico and Indian Country.

About the CDFI FUND:

Since its creation in 1994, the CDFI Fund has awarded more than \$3.5 billion to CDFIs, community development organizations, and financial institutions through: the BEA Program; the Capital Magnet Fund; the Community Development Financial Institutions Program, including the Healthy Food Financing Initiative; the Financial Education and Counseling Pilot Program; and the Native American CDFI Assistance Program. In addition, the CDFI Fund has allocated \$57.5 billion in tax credit allocation authority to Community Development Entities through the New Markets Tax Credit Program, and closed guaranteed bonds in the amount of \$1.61 billion through the CDFI Bond Guarantee Program. To learn more about the CDFI Fund and its programs, please visit the CDFI Fund's website at www.cdfifund.gov.

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 24 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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