



Clearinghouse Community Development Financial Institution

Clearinghouse CDFI Secures \$4 Million from United States Treasury to Finance Affordable Housing Development

Award from the United States Treasury Capital Magnet Fund Program is expected to create or preserve more than 400 affordable rental housing units in California, Nevada, Arizona, New Mexico, and Texas

LAKE FOREST, CA – August 3, 2022 – Clearinghouse Community Development Financial Institution (Clearinghouse CDFI) announced today that it was awarded \$4 million from the United States Treasury Community Development Financial Institution Fund (CDFI Fund). Clearinghouse CDFI will use the assistance to finance the development of affordable housing, targeting projects which benefit homeless and other disenfranchised populations in California, Arizona, Nevada, New Mexico, and Texas. At least 10% of the award will benefit rural areas. Clearinghouse CDFI will leverage the award up to ten times its value to create or preserve over 400 affordable rental housing units serving low- and very low-income individuals and families.

“As a company with roots in Southern California—one of the most expensive places to live in the world—we understand just how important affordable housing is to alleviating poverty and bettering lives,” said Douglas Bystry, President/CEO of Clearinghouse CDFI. “We are very grateful to the CDFI Fund for entrusting us with these funds to support the communities we serve.”

The award was part of a larger CDFI Fund award of \$336.4 million to 59 organizations for the development of affordable housing and community facilities serving low-income individuals, families, and communities. These awards were made through the fiscal year (FY) 2021 round of the Capital Magnet Fund, and will support financing for the preservation, rehabilitation, development, or purchase of affordable housing, as well as related economic development and community service facilities such as day care centers, workforce development centers, and health care clinics. This is the largest award round since the creation of the Capital Magnet Fund and a 23% increase in the number of awardees compared to the FY 2020 award round.

“I am proud to announce the recipients of the FY 2021 Capital Magnet Fund awards, our largest award round ever,” said CDFI Fund Director Jodie Harris. “The lack of affordable housing is a persistent problem for our country. Expanding the reach of the Capital Magnet Fund to more organizations—one-third of which are first-time Capital Magnet Fund awardees—will support vital financing for affordable housing and related economic development and community service facilities that our communities urgently need.”

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 \$3.36 billion will be invested in eligible projects across the United States. For the FY 2021 round the awardees anticipate that nearly \$12.8 billion will be invested in total, including more than \$9.8 billion in private investment.

The 59 awardees will collectively serve 47 states, the District of Columbia, and Puerto Rico. Thirty awardees (or 51% of the total awardees) plan to invest a portion of their award dollars in Rural Areas, with nine of those awardees planning to invest at least half of their award dollars in Rural Areas. Of the 59 total awardees, 32 are Community Development Financial Institutions (CDFIs) and 27 are non-profit housing organizations. The 59 awardees were selected pursuant to a merit-based competitive review of



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applications submitted from 146 organizations that requested more than \$991.8 million from the FY 2021 Capital Magnet Fund round.

About the CDFI Fund

Since its creation in 1994, the CDFI Fund has awarded more than \$5.5 billion to CDFIs, community development organizations, and financial institutions through: the Bank Enterprise Award Program; the Capital Magnet Fund; the CDFI Rapid Response Program; the Community Development Financial Institutions Program, including the Healthy Food Financing Initiative; the Economic Mobility Corps; the Financial Education and Counseling Pilot Program; the Native American CDFI Assistance Program; and the Small Dollar Loan Program. In addition, the CDFI Fund has allocated \$66 billion in tax credit allocation authority to Community Development Entities through the New Markets Tax Credit Program and closed guaranteed bonds for more than \$1.8 billion through the CDFI Bond Guarantee Program.

About Clearinghouse Community Development Financial Institution (Clearinghouse CDFI):

Clearinghouse CDFI addresses unmet credit needs throughout the U.S. and in Indian Country through direct lending, equity investments, and financial assistance. For 25 years, Clearinghouse CDFI has helped bridge the gap between conventional lending standards and the needs of low-income, distressed, and communities of color. 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.

Clearinghouse CDFI has funded \$2.1 billion in total loans for over 2,546 community projects over the past 25 years. These projects have created or retained more than 38,866 jobs and benefit over 3.24 million individuals. Clearinghouse CDFI loans have also created/retained 24,329 student spaces and 10,100 units of affordable, student, and shelter housing since inception. In 2021, Clearinghouse CDFI lending included \$45.7 million for 24 projects with environmental efforts and \$38.6 million for 185 minority/women-owned or controlled businesses. Clearinghouse CDFI loans created 619 total housing units, with 62% designated as affordable. Clearinghouse CDFI also provided \$472,000 to Native American-owned enterprises in 2021.

More information is available at www.ccdfi.com.

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