



Comprehensive ratings for CDFI investments.

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**For Immediate Release**

**CARS™ PIONEERS ARE GEARING UP FOR THEIR THIRD RATINGS CYCLE**

*Leading CDFI loan funds dedicated to transparency say investors expect continued participation*

**PHILADELPHIA, February 3, 2011**—The CDFI Assessment and Ratings System (CAR S™) is celebrating a milestone, with three of the pioneer institutions scheduled for their third CAR S™ ratings during 2011. A CAR S™ rating covers a three-year period, with annual review assessments during the interim years. These leading community development financial institutions (CDFIs) have maintained their CAR S™ ratings status because of their desire to be transparent during a difficult financial cycle, because the rigorous process provides valuable self-analysis, and because increasingly their investors request a CAR S™ rating.

The three pioneer CDFIs that will be receiving their third CAR S™ rating this year are: **Low Income Investment Fund; New Hampshire Community Loan Fund;** and **Northern Economic Initiatives Corporation.** Later this year three additional pioneers will begin the assessment process, leading to a third ratings report release in early 2012: **PeopleFund; The Reinvestment Fund;** and **Federation of Appalachian Housing Enterprises.**

New Hampshire Community Loan Fund President Juliana Eades said, "When we first signed up to be part of the program, I was a big fan of a program like CAR S™ being launched. The Community Loan Fund is in a small market—being rated is a way to get people who are interested in community investments to invest in organizations they don't know."

The Community Loan Fund collaborates with a wide range of donors and lenders, and with business, nonprofit, and government partners. Together, they provide financing and support that people with low and moderate incomes need to have affordable housing, quality jobs, child care and early childhood education, and to become financially independent. It is imperative for them to ensure continued investor support to make a difference in their community.

"Some of our larger investors whose support of The Community Loan Fund pre-dates CAR S™ might not have continued to invest capital if we didn't continue to participate in this process," added Juliana. "It's expected, a discipline. And it inspires confidence in investors—current and potential—when they see that a CDFI is part of this rigorous process. The more loan funds that get rated, the more useful CAR S™ is to investors."



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"We congratulate the CDFIs who pioneered CARS™ in 2004 as they prepare for their third CARS™ rating," said Paige Chapel, director of CARS™. "Their commitment to transparency and rigorous performance standards speaks volumes about them as financial institutions and their willingness to show the way for their peer organizations. The commitment of these CDFIs speaks to the relevance and growing impact of CARS™."

CARS™ rates loan funds (nonbank CDFIs) that invest in communities and create opportunities for low-income and low-wealth people. CDFI loan funds rated by CARS™ serve communities across the U.S. and include small, regional loan funds with a singular focus, as well as large, complex national institutions. CARS™-rated CDFIs provide financing and mission-driven services that support affordable housing, small and environmentally sustainable businesses, microenterprises, community facilities, and cooperatives.

Since its launch in 2004, CARS™ has rated more than 10% of the approximately 600 community development loan funds in the United States, representing 30% of the all assets held by these financial institutions. During the 4<sup>th</sup> quarter of 2010, **Business Carolina Inc** and **Greater New Haven Community Loan Fund** joined the ranks of rated CDFIs, receiving their first CARS™ ratings. In addition, during this time **ACCION Texas-Louisiana; Chicago Community Loan Fund; Enterprise Community Loan Fund; and IFF** received their second CARS™ ratings.

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#### **About CARS™**

CARS™, the CDFI Assessment and Ratings System, is an independent project of Opportunity Finance Network. Launched in 2004 to promote performance as a primary criterion determining the flow of capital through CDFIs and to promote standardization of information and industry-wide performance standards, CARS™ is the only ratings system of its kind. Ratings include an assessment of impact performance and financial strength and performance. Ratings are based on five years of historical performance and cover a projected three-year period with annual updates in subsequent years. CARS™ publishes a list of CDFIs who are scheduled for an upcoming rating, and also provides an on-demand CDFI rating service for investors. More information about CARS™ is available at [www.carsratingsystem.net](http://www.carsratingsystem.net).

#### **About Opportunity Finance Network**

Opportunity Finance Network (OFN), the leading 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) who deliver responsible lending to help low-wealth and low-income communities join the economic mainstream. Over the past 30 years, the opportunity finance industry has provided more than \$30 billion in financing to under-served markets nationwide. In 2008, OFN Members financed more than 200,000 jobs, 600,000 housing units, 50,000 businesses and microenterprises, and 6,000 community facility projects. More information is available at: [www.opportunityfinance.net](http://www.opportunityfinance.net).