

**For Immediate Release**

**CLEARINGHOUSE CDFI AND OPPORTUNITY FINANCE NETWORK CLOSE FIRST EVER  
U.S. TREASURY CDFI BOND: \$100 MILLION TO FINANCE COMMUNITY DEVELOPMENT  
IN CA AND NV**

**PHILADELPHIA, PA – August 20, 2014** – Clearinghouse Community Development Financial Institution (Clearinghouse CDFI) and Opportunity Finance Network (OFN) announced today that last month they closed the first ever bond from the United States Treasury Department's CDFI Bond Guarantee Program (BGP). The transaction was for \$100 million. Clearinghouse CDFI will use the bond to finance community development projects in underserved areas throughout California and Nevada. Opportunity Finance Network (OFN) served as the Qualified Issuer (QI).

Among the projects Clearinghouse CDFI has slated for financing are affordable housing and commercial real estate for nonprofits, community facilities, and small businesses. These include: 96 units of affordable housing, an early childhood education center, and a community-based nonprofit agency serving 3,000 families annually.

Enacted as part of the Small Business Jobs Act, the CDFI Bond Guarantee Program (BGP) is an innovative federal credit program designed to function at zero cost to taxpayers. It provides eligible CDFIs access to long-term capital to encourage economic growth and development.

“Access to long-term, fixed-rate capital is a game changer for Clearinghouse CDFI and potentially the CDFI industry as a whole,” stated Clearinghouse CDFI President and CEO Douglas Bystry. “Not only do our borrowers benefit from longer term loans; fixed-rate capital will have a profound impact over the long-term in low-income and distressed communities where it’s needed most.”

Eligible CDFIs must demonstrate financial strength, experienced management, and provide strong collateral to be considered for the BGP. Clearinghouse CDFI—a mission-based financial institution serving low- to moderate-income communities in California and Nevada—met the rigorous qualification standards in 2013 and was approved to participate in the program’s inaugural round. Clearinghouse CDFI’s mission is to provide economic opportunities and improve the quality of life for lower-income individuals and communities through innovative financing that is unavailable in the conventional market.

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.

To date, Clearinghouse CDFI has drawn a total of \$7 million in bond debt that has been used for multiple projects, including a nonprofit K-12 school, a retail center supporting local businesses in a blighted neighborhood, and a nonprofit Fair Housing service provider.

Chief Investment Officer Jay Harrison indicated that Clearinghouse CDFI intends to draw the remaining funds over the next 24 months. Clearinghouse CDFI is part of OFN’s 240 Member

network and chose OFN as its QI based on OFN's 30-year track record of successfully lending to CDFIs as well as its role in the creation, implementation, and success of this program. As a QI, OFN applies annually for bonds on behalf of qualified CDFIs to bring more financing to the CDFI industry, and help create opportunity for all.

"OFN looks forward to seeing the impact this financing will have in disadvantaged communities in California and Nevada, as well as to facilitate access to the BGP on behalf of more qualified CDFIs in the future, as demand—and need—for this long-term, affordable financing grows," said Cathy Dolan, Chief Operating Officer, Opportunity Finance Network.

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#### **ABOUT CLEARINGHOUSE COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION (CDFI)**

**Clearinghouse CDFI** is a for-profit CDFI that addresses unmet credit needs in California and Nevada. They bridge the financing gap between conventional lending standards and the needs of low-income and distressed communities. To date, the Clearinghouse CDFI has funded a total of \$1.1 billion in loans for 1,540 projects in distressed communities, benefiting over 813,000 individuals. Clearinghouse CDFI loans have created or retained over 10,800 jobs and developed or rehabilitated 9.2 million square feet. More information is available at: [www.clearinghousecdfi.com](http://www.clearinghousecdfi.com).

#### **About Opportunity Finance Network (OFN)**

**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) that deliver responsible lending to help low-wealth and low-income communities join the economic mainstream. Through 2012, OFN's Network originated more than \$33.3 billion in financing in urban, rural, and Native communities, and financed development/rehab of 960,000 housing units, started or expanded nearly 94,000 business and microenterprises, and helped create or maintain nearly 600,000 jobs. More information is available at: [www.ofn.org](http://www.ofn.org)