



U.S. TREASURY DEPARTMENT OFFICE OF PUBLIC AFFAIRS

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U.S. TREASURY SECRETARY ANNOUNCES \$27.3 MILLION FOR ORGANIZATIONS SERVING ECONOMICALLY DISTRESSED COMMUNITIES

Chicago – U.S. Treasury Secretary Henry M. Paulson, Jr. joined the Treasury’s Director of the Community Development Financial Institutions Fund, Kimberly A. Reed, in Chicago today to announce more than \$27 million in awards to 68 organizations serving economically distressed communities in 30 states and the District of Columbia. The awards were made under the 2007 round of the CDFI Fund’s Community Development Financial Institutions Program.

“The vision of the CDFI Fund is to help give all Americans access to affordable credit, capital, and financial services,” said Secretary Paulson. “The President asked Treasury to focus on helping struggling homeowners keep their primary residence, and we will rely on the help of CDFI organizations like Neighborhood Housing Services of Chicago to reach borrowers who are likely to have trouble, and work with them to help them keep their homes.”

"Many of the organizations we are awarding today are on the front lines of creating real solutions for those facing foreclosure in our nation's rural and urban low-income communities," said CDFI Fund Director Reed. "The awards we are making today will provide these community-based lenders with the resources to do even more for their communities --such as more foreclosure prevention counseling and capital for market-rate loans to refinance mortgages and keep families in their homes."

Treasury chose Chicago as the site for the national award announcement to highlight one of its award recipients – Neighborhood Housing Services of Chicago – which has been recognized for administering one of most successful anti-foreclosure programs in the country. NHS of Chicago’s Home Ownership Preservation Initiative is a unique public-private partnership with the City of Chicago, the Federal Reserve Bank of Chicago, and several leading financial institutions. Since 2003, the program has provided solutions to the many problems associated with predatory lending, loan default, and foreclosure. In the past three years, their counseling and refinancing strategies have saved 1,300 Chicago-area homeowners from foreclosure.

The organizations awarded were selected through a competitive review of 184 applications from organizations nationwide requesting more than \$138.4 million in funding under the 2007 round of the CDFI Program. Nationwide, the awards totaled \$27,336,573.

Through the CDFI Program, the CDFI Fund invests in and builds the capacity of a nationwide network of community-based, private, for-profit and non-profit financial institutions with a primary mission of community development in economically distressed urban, rural and Native communities. These

institutions – certified by the CDFI Fund as community development financial institutions, or CDFIs – are able to respond to gaps in local markets that traditional financial institutions are not adequately serving. CDFIs provide critically needed capital, credit, basic financial products such as savings and checking accounts and technical assistance such as financial literacy training to community residents and businesses, service providers, and developers working to meet the community and economic development needs of the communities they serve.

For a list or other detailed information regarding these awards please visit the Fund's website at: <http://www.cdfifund.gov>