



COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND

Treasury Guarantees Additional \$200 Million in Bond Funding for Nationwide Community and Economic Development Projects

October 02, 2014

Building upon its [August announcement](#) that \$325 million in bonds had been guaranteed to support economic development opportunities across the country, the U.S. Department of the Treasury's Community Development Financial Institutions Fund (CDFI Fund) announced today that an additional four bonds totaling \$200 million were guaranteed in fiscal year (FY) 2014, bringing the total guaranteed to date to \$525 million. All of the bond proceeds, provided through the Community Development Financial Institutions Bond Guarantee Program (CDFI Bond Guarantee Program), will provide long-term, fixed rate capital for projects in low-income and underserved communities.

The FY 2014 program participants include institutions with a strong presence in the community development finance industry that share an equal commitment to financing a wide range of job-creating and community-building projects. Four Eligible CDFIs received bond loans from the Community Reinvestment Fund, as Qualified Issuer. They are:

- **Capital Impact Partners**, headquartered in Arlington, VA, received a \$55 million bond loan to finance healthcare facilities, senior living and long-term care facilities, affordable housing units, charter schools, commercial real estate projects and not-for-profit organizations. Although Capital Impact Partners is headquartered in Arlington, the company plans to invest nationally.
- **IFF**, headquartered in Chicago, IL, received a \$25 million bond loan to finance affordable housing units and charter school facilities. IFF's investments primarily will be made in the Midwest.
- **Low Income Investment Fund**, headquartered in San Francisco, CA, received a \$65 million bond loan to finance senior living and long-term care facilities, commercial real estate projects, healthcare facilities, charter schools, affordable housing units and daycare centers. Low Income Investment Fund serves low-income neighborhoods throughout the U.S.
- **The Reinvestment Fund**, headquartered in Philadelphia, PA, received a \$55 million bond loan to finance commercial real estate projects, healthcare facilities, charter schools, affordable housing units, and daycare centers. The Reinvestment Fund's investments primarily will be made in the mid-Atlantic.

The CDFI Bond Guarantee Program was created through the enactment of the Small Business Jobs Act of 2010. Since the law's passage, Treasury has guaranteed bonds for over half of a billion dollars, through two rounds of the CDFI Bond Guarantee Program, for investment in the nation's most underserved rural and urban areas. To date, the program's portfolio has grown to include to a cross sector of CDFIs that are at the cutting edge of community development finance. While participants are allowed up to five years to fully deploy bond loan funds, it's anticipated that borrowers in the FY 2014 round will completely commit their capital to community development projects by the end of calendar year 2016. This means new jobs, new community and neighborhood facilities, and enhanced economic opportunities for Americans who need it most.

The CDFI Bond Guarantee Program terminated on September 30, 2014. The President's Fiscal Year 2015 budget proposes to extend the program, subject to reauthorization by Congress.

About the CDFI Fund

Since its creation in 1994, the CDFI Fund has awarded more than \$2 billion to CDFIs, community development organizations, and financial institutions through the CDFI Program, the Bank Enterprise Award Program, the Capital Magnet Fund, the Financial Education and Counseling Pilot Program, and the Native American CDFI Assistance Program. In addition, the CDFI Fund has allocated \$40 billion in tax credit allocation authority to Community Development Entities through the New Markets Tax Credit Program, and \$525 million has been guaranteed in bonds through the CDFI Bond Guarantee Program.

To learn more about the CDFI Fund and its programs, please view the [Fact Sheet](#) or visit the CDFI Fund's website at www.cdfifund.gov.

About the CDFI Bond Guarantee Program

The CDFI Bond Guarantee Program provides CDFIs with access to significant capital by providing guarantees of bonds. With long-term credit at below-market interest rates, the CDFI Bond Guarantee Program is a groundbreaking effort to accelerate community economic growth and development. The bonds are fully guaranteed by the Treasury Secretary at no cost to the taxpayer and bond loans must be repaid by the CDFI borrower.

For more information about the CDFI Bond Guarantee Program, please view the [Fact Sheet](#) or visit the CDFI Fund's website at www.cdfifund.gov/bond.
