

**NEW
FEATURE**

Practitioner's Corner



"Some Food for Thought"

The Highland Harvest LLC is helping in a modest way to preserve small family farms against pressures of housing development.

See complete story on page 8.

**SECA
Component
Applicants
request over
\$28M**

(see story on page 7)

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FY 1999 Annual Survey Preliminary Findings, Core Component

by Donna Fabiani and Lehn Benjamin

As the single largest supporter of the community development finance field in America, the Fund has certified hundreds of community development financial institutions ("CDFIs") in the past five years, and has invested millions of dollars in them to increase investment and access to capital in underserved markets. This report depicts, in snapshot form, what that involvement has meant in terms of impact.

BASELINE FACTS

- Over 400 private, non-profit and for-profit organizations across the country and in the US territories have been certified by the Fund as CDFIs.¹
- The Fund has made 275 Core Component awards totaling \$267 million to these CDFIs since 1996.²

The Fund recently surveyed 106 awardees from the 1996 through 1998 Core Component funding rounds. In total, these awardees have received \$114 million from the Fund.³

Since being notified of their CDFI Fund awards, these 106 organizations have:

- made \$3.5 billion in community development loans and equity investments, or
- made \$31 in financing for every dollar received from the CDFI Fund.⁴

(continued on page 3)

• Director's Message •••



Jeff Berg, Acting Director

These are two of the many great examples of what CDFIs have been producing every day since the inception of the Fund's awards programs. The cumulative effect of these efforts is captured in this issue's cover story featuring the preliminary findings of the 1999 Core Component annual survey. Those surveyed report that an amazing \$3.5 billion in community development loans and equity investments have been made by the original 106 awardees in the Fund's Core Component and that hundreds of thousands of individuals have been touched by CDFI organizations around the nation.

The survey's results clearly demonstrate the long reach of CDFIs into a marketplace underserved by conventional financial institutions. On the flipside of these figures, the breadth of what is being accomplished is an indicator that there is much, much more yet to be done. The Fund believes that its Small and Emerging CDFI Assistance, New Markets Tax Credit, and Native American CDFI Training and Technical Assistance initiatives will be crucial additions to the CDFI menu of award programs helping CDFIs take the next critical steps to serve distressed communities and low-income individuals.

The New Markets Tax Credit, in particular, offers a new tool for long term investment in economically disadvantaged areas. The Fund has recently published guidance about the New Markets Tax Credit, which can be found on our website: www.treas.gov/cdfi. We invite your written comments about certain issues raised in the guidance until July 2, 2001. Thanks to all of you for your thoughtful deliberation, and for your daily efforts to make the financial services arena more effective and more accessible.

Yours truly,

Jeffrey C. Berg
Acting Director

CDFIs make a difference every day. You can catch the truth and excitement of that statement in this Spring's CDFI Fund Quarterly. Farm businesses in Hampshire County, West Virginia are discovering profitable and sustainable practices to preserve their family farming traditions thanks to CDFI Fund awardee Lightstone Community Development Corporation. Homeless people in Boston have a place to stay and assistance in planning for their futures because of a strong partnership between BEA awardee Wainwright Bank and Trust Company, and the Pine Street Inn, a comprehensive homeless program funded by the bank for many years.

• Program Calendar •••
FY 2001

**All FY 2001
Program Awards
announced by
Sept. 30, 2001**

CDFI Program

**Core and Intermediary
Components**

Site Visits	April/May
Applicant Decisions	Sept. 30

SECA Component

Readers Review	June 4 - 7
Site Visits	June 11 - Aug 15
Applicant Decisions	Sept. 30

**Native American CDFI
Technical Assistance
Component (New)**

NOFA Issued	Summer 2001
Application Deadline	Fall 2001
Applicant Decisions	Winter 2001- 2002

BEA Program

Assessment Period Ends	June 30
Final Reports Mailed	Mid May
Final Reports Due	Aug 2
Applicant Decisions	Sept. 30

US Department of the Treasury



Community Development
Financial Institutions Fund
601 Thirteenth Street, NW
Suite 200 South
Washington, D.C. 20005
www.treas.gov/cdfi

FY 1999 Annual Survey

(continued from cover story)

OUTCOMES

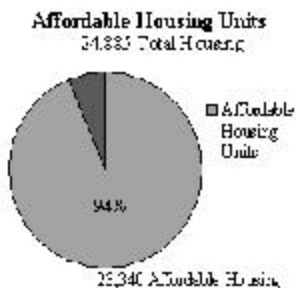
In 1999 alone, 1996 - 98 Core Component awardees made \$1.4 billion in loans and equity investments, reaching a broad audience in distressed communities. Using a variety of tools, they effected long term impact in the lives of low-income individuals, and others who lack access to credit and financial services.

Investment in Business and Microenterprise

The 106 awardees included in the 1999 survey financed 3,258 businesses and microenterprises.

- 52% of these businesses and microenterprises were owned or controlled by low-income individuals.
- 54% were owned or controlled by minorities.
- 36% were owned or controlled by women.
- These businesses and microenterprises created or maintained 24,698 full-time equivalent jobs in 1999.⁵

Development of Affordable Housing



Awardees financed the construction or rehabilitation of 24,885 units of housing.

- 94% of these units were affordable to low-income individuals.

Involvement in Community Facilities Finance

Awardees financed 411 community facilities, including charter schools, childcare centers, and health clinics.

According to the awardees surveyed, these facilities have the capacity to provide:

- education to 4,569 students,
- childcare to 5,780 children, and
- health care to 95,864 patients.

Provision of Related Services and Technical Assistance

CDFIs provide loans, equity investments, basic financial services, and technical assistance to their clients. In addition to loans and investments, in 1999:

- CDFI depository institutions held 159,000 checking and savings accounts totaling \$484 million in deposits.
- 77% of these accounts were held by low-income individuals.

All awardees surveyed provided technical assistance and training in subjects ranging from consumer credit counseling to homeownership classes to business instruction.

- In 1999, CDFIs provided one-on-one technical assistance to 11,110 individuals or organizations, and classroom training to 22,876 individuals.

Fostering Partnerships

In many cases, CDFIs do not act alone. They provide a piece of the needed financing, while other

(continued on page 4)

1 Certifications are as of April 1, 2001.

2 Includes all 1996 through 2000 Core Component awards. An additional \$10 million has been awarded through the Technical Assistance Component.

3 Core Component awards for the 106 awardees totaled \$122 million. As of April 24, 2001, \$114 million of the total awards had been disbursed.

4 Dollars received from the CDFI Fund are for Core Component awards. Technical Assistance Component award disbursements are not included.

5 Jobs maintained are the jobs at the business at the time it was financed by the CDFI. Jobs created is the net change in jobs between the time the business was financed and 1999.

About the Authors

Ms. Fabiani's responsibilities in the CDFI Fund's Policy and Research Unit include developing the Fund's data collection tools, such as annual awardee surveys; developing the Fund's research agenda; managing the Fund's internal process to streamline funding applications, the proposal review process, and awardee reporting requirements; and conducting funding proposal reviews. Previously, Ms. Fabiani was the director of FINCA USA, a microenterprise peer lending program serving greater Washington, DC. Prior to that, she was a Desk Officer with Catholic Relief Services, where she oversaw seven country programs that supported microenterprise and other community development initiatives in Latin America. Ms. Fabiani holds a Master in Public Affairs from Princeton's Woodrow Wilson School.

Currently Ms. Benjamin is a Ph.D. candidate in the Department of City and Regional Planning at Cornell University, where she also received her Masters degree. Ms. Benjamin served as a Congressional Fellow on the Senate Banking, Housing and Urban Affairs Committee and did research for the Economic Research Service in the USDA. Previously, Ms. Benjamin worked as a researcher for the Foundation for Contemporary Research and the University of the Western Cape in South Africa. She works in the Fund's Policy and Research Unit.

private and public lenders or investors, and the owners themselves, provide the remainder. In 1999, other entities contributed \$93 million to the deals that CDFIs participated in, which means that for every dollar of financing provided by the CDFIs, another \$1.07 was contributed to the project by a partnering entity.

- 17% Hispanic,
- 5% Native American, and
- 4% other minorities
- 66% of clients are in urban areas
- 34% of clients are in rural areas

Generation of Outside Resources

According to certified CDFIs and Fund awardees, Fund recognition can be an important factor in a CDFI's ability to attract additional resources. Core Component awardees estimate that, over and above their required 1:1 non-federal matching funds, they have been able to raise an additional \$267 million. Combining the non-federal match and additional funds, this brings the total generated to \$3.19 for every dollar of Core Component funding provided by the Fund.

CDFI AWARDEE PROFILE

Where?

Certified CDFIs are located in 35 states, but they serve all 50 states. Every state has at least 4 CDFIs serving it, and some as many as 20 (see map below).

- 55% of awardees serve major urban areas⁶
- 58% of awardees serve minor urban areas
- 62% serve rural areas

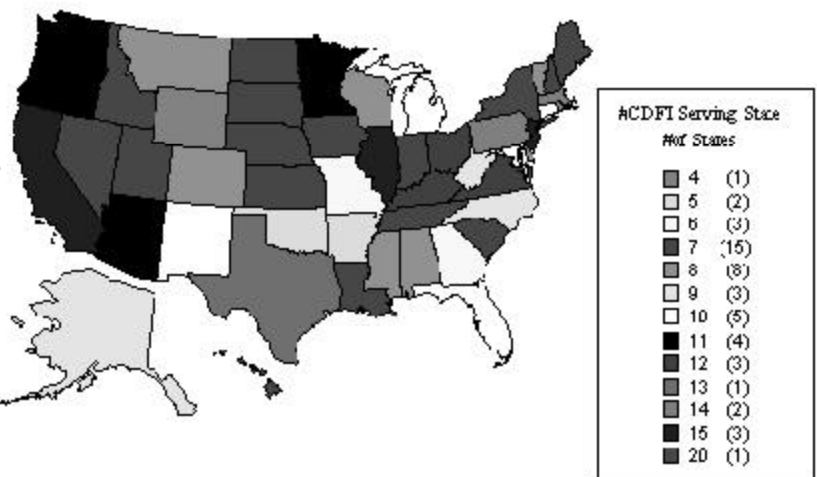
CDFI CUSTOMER PROFILE

CDFIs serve diverse markets that include distressed neighborhoods, low-income populations, or other populations that lack access to credit.

Who?

On average, the reported client profile of CDFI awardees includes the following:

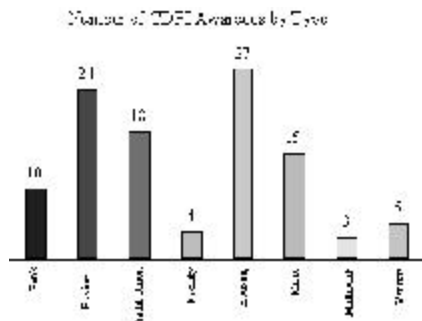
- 77% of clients are low income
- 62% of clients are minorities, with
 - 36% African American,



⁶ A major urban area is a Metropolitan Statistical Area of 1 million or more. A minor urban area is a Metropolitan Statistical Area of less than 2 million. An MSA includes a central city and surrounding suburbs.

Who Serves CDFI Customers?

Awardees represent all types of CDFIs:



- 9% are banks
- 23% are business loan funds
- 17% are credit unions
- 4% are facility loan funds
- 25% are housing loan funds
- 14% are microenterprise funds
- 3% are multi-bank CDCs
- 5% are venture capital funds

New Markets Tax Credit Program

The New Markets Tax Credit (NMTC) Program, enacted in December of 2000, was developed to spur investments in businesses located in low-income communities. Under the NMTC Program, taxpayers will be provided a credit against Federal income taxes for qualified investments made to acquire stock or other equity interests in designated Community Development Entities (CDEs). Substantially all of the proceeds of qualified investments must in turn be used by the CDE to make qualified investments in low-income communities. These qualified low-income community investments include loans to, or equity investments in, businesses or CDEs operating in low-income communities. The credit provided to the investor covers a seven-year period. In each of the first three years, the investor receives a credit totaling 5% of the total value of the stock or equity interest at the time of purchase. For the final four years, the value of the credit is 6% annually.

The NMTCs will be allocated annually by the Fund to for-profit CDEs under a competitive application process. These CDEs in turn will pass the credits to investors (such as banks, corporations, mutual funds, and/or individuals). To qualify as a CDE, an entity must be a domestic corporation or partnership that: (1) has the primary mission of serving, or providing investment capital for, low-income communities or low-income persons; (2) maintains accountability to residents of low-income communities through representation on a governing or an advisory board; and (3) has been designated by the Fund to be a qualified CDE. CDEs may be not-for-profit or for-profit entities, but only for-profit CDEs are eligible to apply for NMTC allocations from the Fund. Not-for-profit entities may nonetheless find it beneficial to gain designation as a CDE, since for-profit CDEs that receive qualified investments under the NMTC Program are permitted to use those investments to make loans to (and purchase loans from) other CDEs. All certified CDFIs, and all Specialized Small Business Investment Companies licensed by the Small Business Administration, will automatically qualify as CDEs.

The CDFI Fund has the authority to allocate tax credits to CDEs to support qualifying equity investments totaling \$15 billion through 2007. The Fund, working with the IRS, is currently in the process of designing the program requirements and developing the applicable regulations. On April 20, 2001, the Fund issued a guidance document that seeks feedback on a variety of key implementation issues. The Fund intends to use these comments, as well as comments received by the IRS under its Advance Notice of Proposed Rulemaking, to help it develop program guidelines and application materials — with a goal of seeking applications for NMTC allocations in early calendar year 2002.

421 Certified!!

As of May 1, 2001, the CDFI Fund has certified 421 organizations as Community Development Financial Institutions. In addition, 29 organizations previously certified by the Fund are under review for re-certification.

In order to be certified as a CDFI, an organization must meet certain criteria at the time of application. These criteria re-

quire that the entity: have a primary mission of promoting community development; have the provision of financing as its predominant business activity; provide development services (such as training or technical assistance) in conjunction with its financing; direct its activities toward eligible target markets (such as low-income people or distressed communities); be accountable to the target markets

served; and be a non-governmental entity. Certification is effective for three years. Organizations seeking re-certification should submit an application three months prior to the expiration of its certification.

For a complete listing, please visit the Fund's website at www.treas.gov/cdfi.

Innovations From the Field

Wainwright Bank & Trust Company - *“Banking on Values & the Innovative Uses of Bank Enterprise Awards”*

by Steven F. Young

In an industry that caters primarily to shareholders, Boston-based Wainwright Bank & Trust Company has chosen to serve a broader range of stakeholders, placing employees, customers and communities at the table alongside its investors. The bank has built its business around three things: outstanding personalized service, true financial value for customers, and a commitment to social responsibility. Wainwright’s progressive agenda has permeated all of its practices, and given this public corporation a unique place among its industry peers.

With \$450 million in assets, an active commercial lending operation, and conveniences such as Debit Cards and On-line Banking, Wainwright resembles most other U.S. financial institutions. However, few others offer the breadth and depth of socially responsible products and services that Wainwright has been supporting for years. In 1998 the bank received a national award from Business Ethics magazine for its “commitment to social justice inside and out.”

In an unprecedented move, Wainwright created a senior position at the bank dedicated solely to socially respon-

sible community development financing. In the past 10 years, Wainwright has made more than \$140 million in loan commitments to nonprofits ranging from affordable and special-needs housing programs and food banks to homeless shelters, and environmental groups. Wainwright’s lending activities have made a significant impact on communities in the Greater Boston area.

In each of the last four years, Wainwright has received a Bank Enterprise Award from the CDFI Fund. Like the majority of institutions that received the award, Wainwright has reinvested the award back into the community, but Wainwright has reinvested the award in some creative and innovative ways.

fund was capitalized solely with Bank Enterprise Award monies and has assets of nearly \$130,000. The fund was created to enable the bank to expand its philanthropic reach in greater Boston. One beneficiary of the Wainwright Bank Community Fund is the Pine Street Inn, a well known and respected institution dedicated to feeding and sheltering Greater Boston’s homeless population. Wainwright and Pine Street have worked together to provide hundreds of new beds for homeless women; expanded emergency housing for the elderly; provided transitional housing; offered services for homeless pregnant women; and provided permanent lodging for the formerly homeless. This partnership has now spanned a decade and over \$8 million in financing from Wainwright.

Wainwright’s most recent award was used to finance the development of [Community Room.net](#) (see image below) which provides free hosted



First, Wainwright created a donor-advised charitable fund held at The Boston Foundation. This

websites for nonprofit organizations that are customers of the bank and it enables visitors to

the website to make secure on-line donations with a major debit or credit card. Each organization creates and updates their own site, including areas for programs and services, volunteer opportunities, events, history, and custom graphics with only an e-mail connection and a basic knowledge of Microsoft Word. Other features of the site include a master events calendar, an issues forum providing commentary about current social justice issues, resources for nonprofits, and "Giving 101" which provides tips on how to be a more effec-

tive donor. In addition, members are provided with a giving history that can be printed for tax preparation purposes.

Wainwright Bank & Trust Company admirably uses both cultural and financial capital to further a vision of a just, tolerant and sustainable society. As a conventional bank doing unconventional things, Wainwright has undertaken some bold initiatives to foster support for underserved communities, and developed relationships with people and programs working together to make the world a better place.

About the Author

Steven F. Young

Steven F. Young is a Senior Vice President at Wainwright Bank & Trust Company and is the Executive Manager of the Consumer Banking Group which includes Branch Banking, Consumer Lending, Marketing, Electronic Banking and Community Development. Mr. Young is one of the architects of the bank's progressive social agenda, working closely with Wainwright Bank co-founder and co-chairman Robert A. Glassman.

A Glance at Mexican Microcredit Development

During the course of a year, the CDFI Fund has a number of opportunities to compare community development finance experiences with international development professionals. This year, we have had visitors from Bulgaria and Kazakhstan but, of special note, for the past four months, the CDFI Fund sponsored three interns from Mexico. Paola I. de la Rosa Rodriguez, Claudia Sanchez Armengol, and Rocio Zamora Figueroa participated in just about every aspect of work at the Fund, and produced an informative presentation about microcredit in Mexico.

The PowerPoint presentation focuses on the evolution of the Mexican microcredit system and is divided into four main parts:

- A description of current macroeconomic indicators in Mexico, and definitions of micro, small and medium enterprises.
- A history of the Mexican government's intervention in domestic financial markets, including a recent interest in microfinance.

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Over \$28M requested in SECA Applications



The Fund has received the first round applications for the new SECA Component in large numbers. Almost 3 times the

available amount was requested in applications.

195 Applications

134 Technical Assistance & Financial Assistance
61 Technical Assistance only

Of the applications received

40 are credit unions
8 are native american
4 are banks

The applications were received from organizations in 43 states, including Washington, DC, Puerto Rico, and the Virgin Islands. This includes the Fund's first ever applicant from Wyoming.

States with most applicants

22 New York
13 Florida & Illinois
12 Pennsylvania & Texas
9 Massachussets

"It is essential that the Fund expand its efforts to help build the capacity of smaller, younger organizations and thereby enhance the ability of the CDFI industry to grow and better serve distressed areas across the nation," said Fred Cooper, Program Manager of the SECA Component.



Practitioner's Corner

Highland Harvest LLC

"Some Food for Thought"

by Anthony Smith

Since June, 2000 a West Virginia innovation — the Highland Harvest LLC (limited liability corporation)— is helping in a modest way to preserve small family farms against the pressures of housing development. A value-added gourmet food enterprise owned and operated by orchard farmers, a gourmet food processor, and a CDFI, Lightstone Community Development Corporation (LCDC) took root with a \$30,000 micro-equity investment by LCDC and \$3,000 of in-kind investments by the other partners in Hampshire County. Hampshire County is the fastest growing county in West Virginia, located on the Eastern Panhandle, and it is typical of rural mountain communities that have seen a decline in manufacturing and extractive industries, as well as a tremendous loss of small family farms. Local farmers are now co-owners of this LLC which produces and markets high value specialty food products from locally grown food, and thus returns a greater share of the consumer's dollar to the farmers.

Products from the LLC include white peach jam (pictured right), fresh-picked strawberries, spicy apple butter, hot pesto salsa, and paw paw topping. Highland Harvest now boasts 12 specialty products that

can be ordered directly from Gourmet Central, as well as through Lightstone's web page.

The LLC enables farmers to participate in the profits, so each farmer earns approximately \$27 a bushel for apples for the farmer's equity share, instead of the normal \$8 per bushel wholesale. In addition, the farmer can take cosmetically blemished seconds to be processed, and save the premium products for fresh sales. In the words of Gary Shanholtz, the largest orchard grower in Hampshire County, one of the main benefits of the Highland Harvest LLC is to "help keep farms in trees, not houses" and to reverse the rule that "farmers sell wholesale, buy retail, and pay freight both ways."



The Highland Harvest LLC is beginning to create a market

demand-pull to local farmers to consider transitioning to organic growing methods so that they can realize the higher profits of producing for those fast-growing niche markets. Shanholtz is considering ways to set aside some of his land to grow organi-



cally certified bell peppers, with technical assistance from Lightstone. Smith credits Gourmet Central's Chef Harvey Christie for much of the marketing success of the LLC. Chef Harv remarks that "farmers can bring me their apples and peaches and basil, and I'll create a gourmet product for them. By working with local farmers, we can give our product a regional label, which gives us a unique niche for winning customers among wholesale food buyers from Walmart to specialty food stores."

By December, 2000 the LLC had grossed over \$70,000 in sales, and prospects look very good for continued growth. The Highland Harvest idea so engrossed USDA officials, that they suggested that a PBS television producer contact Lightstone about their work. The half hour PBS video that resulted is entitled "Our Food,

(continued on following page)

Our Future,” and was aired in Philadelphia on April 22nd (Earth Day) at 10:00 p.m., and in West Virginia on May 8^h (10:30 p.m.) and May 12th (8 p.m.). A date has not been set yet for the Washington DC public television station. The video features four USDA-funded national programs on community food projects, including the West Virginia rural story as well as three urban stories, in Philadelphia, Camden and New York City. The video was produced by Shirley Road Productions, in Narberth, PA for Cornell University Extension, and funded by the Kellogg Foundation.

The key stakeholders within the Highland Harvest LLC cluster include not only the members of the LLC, but also a broad cross section of the community (see below). LCDC’s

Executive Director, Dr. Anthony Smith, believes that “CDFI-driven micro-equity investments such as this can leverage significant community resources to help small businesses grow.”

Smith formed LCDC in 1994 with the board of its affiliate organization, Lightstone Foundation, with the goal of supporting sustainable enterprises in rural mountain communities of West Virginia and Virginia. LCDC is making its mark in West Virginia not only in the area of micro-equity investments, but also in developing a statewide Welfare to Microenterprise program that builds capacity in local communities to support individuals in transitioning off welfare into self-employment.

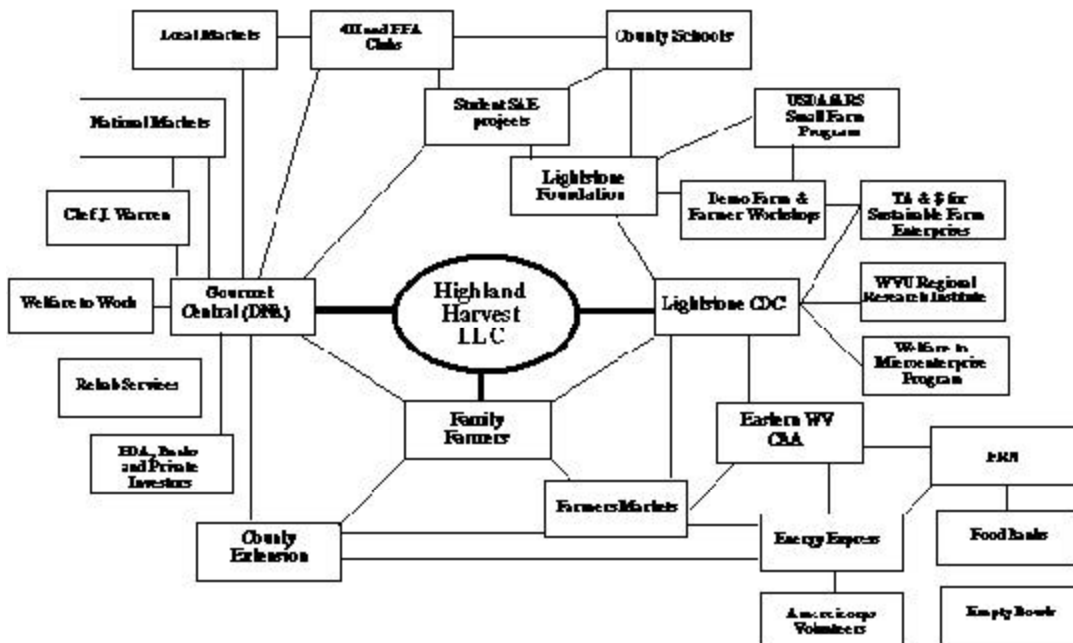
Smith credits the CDFI Fund with the major boost in helping

to grow their tiny loan fund into a statewide entity. “The CDFI Fund took a leap of faith and certified LCDC in 1998 when we had only \$130,000 in loan funds, and 7 micro-loans on our books. The CDFI certification helped put us on the map as the first and only CDFI in West Virginia focusing on small business development. The \$25,000 technical assistance grant enabled us to retain the expertise of National Community Capital Association and Seneca Consulting to help us develop our loan policies and strategies.” Today LCDC is still small — it has 38 loans on its books — but it has also managed to maintain a zero loan default rate, and all but three of its loan customers were on public assistance.

“With our \$250,000 CDFI Core grant in the works for this year, matched by a grant from the Benedum Foundation for \$220,000, and very soon, a projected SBA microloan of \$750,000, we’ll be able to sig-

(continued on page 10)

Highland Harvest Cluster



(continued from page 9)



nificantly expand our range of activity,” says Smith. “Our CDFI funds will be used primarily for equity investments in a broad array of economic development clusters. These include not only value-added food processing, but also childcare, heritage crafts, place-based tourism, forest and agroforestry products, fiber arts, and other such areas that particularly benefit rural mountain communities.”

The challenge that LCDC has found with small business development in rural areas is twofold: distance barriers and lack of geographic concentration among its loan and equity investment customers, and limited business support infrastructure in rural communities. “Pendleton County, where

we’re located, has only 11 people per square mile, and a lot of windy country roads between. That’s pretty typical of our entire service area.” In order to overcome this challenge, LCDC has evolved a strategy of partnering with other community-based organizations, and developing its capacity to retain a Business Development Coordinator to carry out the outreach, business training, loan packaging, and monitoring. “We’re becoming a virtual corporation — not only in the sense of using electronic communications — but also by establishing our presence through our community partners.”

The challenge of lack of business support infrastructure has been particularly acute, especially in obtaining financial management services for its loan and equity customers. Rural communities may have a CPA accustomed to doing taxes and some estate work, but little to no busi-

ness support services. LCDC’s Chief Financial Officer, Rod Brennan, remarks that “We’ve just started brokering virtual financial back office services through a third party firm — alt.Consulting — for our customers so they can get more useful numbers about how their business is doing. Until now it’s been a struggle for them to get us timely and accurate financial reports. We’re considering requiring this in all our equity investments so that we can not only protect our investment, but more importantly, help our customers grow by focusing on what they’re good at.”

“We’re becoming a virtual corporation — not only in the sense of using electronic communications — but also by establishing our presence through our community partners.”

The Highland Harvest LLC is but one of several such enterprises that Lightstone CDC is contemplating this year in one

(see “Highland” page 11)



About the Author Anthony Smith, Ph.D.

Executive Director and Board Member of Lightstone Foundation, Inc. and the Lightstone Community Development Corporation, Pendleton County WV, Dr. Smith is a practitioner, author and consultant with 25 years experience in community economic development, sustainable agriculture, and energy management.

He has founded and managed a number of enterprises, including the Lightstone Community Development Corporation, the West Philadelphia Corporation Neighborhood Resource Center, the Community Energy Development Corporation (Philadelphia), Community Energy Consumers (Philadelphia), the Rodale Institute Rural Urban Resource Center (Kutztown, PA), the Philadelphia Solar Energy Society, and Transport Energy Company (Philadelphia).

Smith has taught courses and seminars on entrepreneurship and innovation at university business graduate level in the USA and Turkey. His PhD in Entrepreneurial Development and Social Systems Sciences is from the Wharton School of Management, University of Pennsylvania (1989).

EXTRA!! EXTRA!!

WEB News

BEA Program:

FY 2001 Final Reports will be available on-line mid May.

Microenterprise:

"Crossing the Bridge to Self Employment" - A Federal Microenterprise Resource Guide available mid May 2001.

New Markets:

Published in the Federal Register May 1, 2001, the New Markets Tax Credit (NMTC) Guidance is now available on-line.

Certification:

A complete listing of all Certified CDFIs.

New Staff Member

Heather Wiley is a new Financial and Program Analyst with the CDFI Fund. After graduation from the University of Massachusetts, she became the Loan Portfolio Analyst for the City of Raleigh's Community Development Block Grant Portfolio, then a mortgage loan analyst for General Electric. During her tenure with the North Carolina Rural Economic Development Center, Inc., past recipient of a CDFI Fund Presidential Award for Excellence in Micro Enterprise Development, she worked as the portfolio manager of the micro-enterprise loan program and then moved to the administration of the Rural Center, to become the financial analyst. She recently completed a two-year post as a Peace Corps volunteer in Samoa, teaching economics, accounting and computer studies in addition to several secondary projects in education and agricultural economic development on the rural island of Savaii. She plans to sit for the certified public accountant examination this autumn.

Highland

or more cluster areas. Smith blends social and economic entrepreneurship in his vision: "Lightstone is considering how we can continue to pro-actively create entrepreneurial capacity through not only our financial investments, but our investment in managerial and marketing skills to create a variety of spin-off LLCs. In this manner, we can meet our purpose to help create sustainable enterprises in the community, as we also build Lightstone's sustainability." For more information about Lightstone or Highland Harvest, you can visit the web page at www.lightstone.org or call at (304) 249-5200.

Mexican Microcredit Development

(continued from page 7)

- An overview of NAFIN (Nacional Financiera), a very important State-owned development bank; and
- An introduction to the new microcredit program, an initiative of President Vicente Fox to enhance Mexican community development efforts.

To view the full presentation, visit the CDFI web page: www.treas.gov/cdfi.

All three student interns participated in the Washington Center for Internships and Academic Seminars, and boast impressive credentials. Ms. De la Rosa has a graduate degree in International Trade Law, conferred by the

Instituto Tecnológico de Estudios Superiores de Monterrey (ITESM). With a focus on international trade, Paola aims to practice in the area of customs and international trade laws. Claudia Sanchez took her Master's in Economics at the Universidad de las Americas-Puebla. She is particularly interested in international commerce and economic development. Ms. Zamora completed her B.A. in Finance at the Instituto Tecnológico de Estudios Superiores de Monterrey (ITESM), Guadalajara, and has an expressed interest in international trade issues and microfinance.

The Community Development Financial Institutions Fund is a wholly-owned government corporation within the U.S. Department of the Treasury. Its ***Vision***: An America in which all people have access to capital and financial services. Its ***Mission***: Promote access to capital and local economic growth by directly investing in and supporting community development financial institutions (CDFIs) and expanding financial service organizations' lending, investment, and services within underserved markets.

The CDFI Fund encourages the dissemination of new ideas and information to further community development in the United States. Articles authored by people who are not CDFI Fund employees, however, may not be endorsed by the Fund nor has the Fund conducted any independent research to determine their accuracy.

“CDFI Fund Quarterly” is designed and edited by the CDFI Fund’s External Affairs Office and published every three months.

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