FOUR LEADING COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS EACH RECEIVE $25,000 FROM PRESTIGIOUS WACHOVIA NEXT AWARDS FOR OPPORTUNITY FINANCE

Trailblazing CDFIs in Four States Thrive Amid Economic Turmoil, and Reveal New, Unanticipated Growth for Opportunity Finance Industry

Awardees responsibly lend to low-income rural and urban communities, demonstrate smart use of New Markets Tax Credit allocations, and inspired the Capital Magnet Fund

ALBUQUERQUE, N.M. – Four leading Community Development Financial Institutions (CDFIs) were awarded $25,000 each in unrestricted grant prizes at the second-annual Wachovia NEXT Awards for Opportunity Finance. The awards program, held at the national 2008 Opportunity Finance Network (OFN) Conference, is one of the nation’s largest and most prestigious for responsible lending.

CDFIs include community development banks, credit unions, loan funds, and venture capital funds. They are market-based, private sector financial intermediaries that create opportunities for low-wealth and low-income individuals and institutions, and spark growth in hard-to-serve markets across the nation.

Chosen for their outstanding accomplishments in the categories of “Community Impact,” “Financing,” “Innovation,” and “Advocacy,” this year’s $25,000 awardees exemplify the numerous ways in which CDFIs work to create economic opportunity in underserved markets and the range of low-wealth and low-income people and places they reach.

“Each of the four awardees has blazed an unlikely trail on solid ground against expectations,” said Mark Pinsky, CEO of the Philadelphia-based OFN, the leading national network of high-performance CDFIs.

The Wachovia NEXT Awards for Opportunity Finance in partnership with The John D. and Catherine T. MacArthur Foundation is run and funded through OFN by The Wachovia Foundation and The John D. and Catherine T. MacArthur Foundation. The awards recognize excellence among financial institutions that responsibly serve low-income and low-wealth people and communities, and were established to spotlight how CDFIs increasingly benefit our nation’s economy.
The four awardees are:

**Syracuse Cooperative Federal Credit Union** for **COMMUNITY IMPACT**
Syracuse Cooperative Federal Credit Union, based in Syracuse, N.Y., was awarded the Community Impact prize for countering payday and predatory lending while growing city-wide. Since 1982, Syracuse Cooperative Federal Credit Union has invested more than $65 million in low-income urban neighborhoods, fostering first-time homeownership for low-to moderate-income borrowers and increasing the availability of affordable housing. In the past two years, this outstanding CDFI has made nearly 100 payday-alternative loans, lent more than $2 million in predatory-alternative mortgages and provided housing and credit counseling to 300 low-income individuals. Started by visionary community activists and now a city-wide institution valued at $14 million in assets, Cooperative Federal is a true leader in COMMUNITY IMPACT.

**Coastal Enterprises, Inc.** for **FINANCING**
Wiscasset, Maine-based Coastal Enterprises, Inc. (CEI) was selected for the Financing award due to its pioneering use of New Markets Tax Credit (NMTC) funds to attract new investors and to build new delivery channels for responsible finance. In 2006 and 2007, through its unique approach to the NMTC allocation, CEI attracted 30 new sources of private capital to distressed rural communities in Maine, northern New England and upstate New York. And CEI also gives other, smaller CDFIs access to this financing through its innovative free-sharing, working partnership program. NMTC is a place-based tax credit, stimulating investment in low-income communities and helping create jobs. CEI’s unique, successful approach to NMTC funds – which brings in new investments and provides smaller CDFIs access to this funding – serves as a replicable model for the opportunity finance industry, demonstrating real leadership in FINANCING.

**Federation of Appalachian Housing Enterprises, Inc.** for **INNOVATION**
Federation of Appalachian Housing Enterprises, Inc. (FAHE), based in Berea, Ky., received the Innovation award for its pioneering application of Low-Income Housing Tax Credit (LIHTC) financing in rural areas. In less than two years, FAHE Capital - a new business FAHE - has successfully used LIHTCs to bring more than $17 million in private equity investments to develop affordable rental units in rural communities. A huge accomplishment: LIHTCs historically have been used in cities, seldom touching rural communities. The $17 million equity leveraged an additional $4 million, bringing total new investments to more than $20 million. Through its inventive use of LIHTCs, FAHE is creating an immediate impact on the development of affordable rental homes in rural areas, emerging as a true leader of the opportunity finance industry in INNOVATION.

**Low Income Investment Fund** for **ADVOCACY**
The Advocacy award recognizes San Francisco-based Low Income Investment Fund’s (LIIF) vision and leadership in the creation of a unique funding stream for opportunity finance through the Capital Magnet Fund. Working with OFN and other CDFIs, the LIIF took a lead role in advocating for the Capital Magnet Fund.
into law earlier this year as part of the Housing and Economic Recovery Act of 2008, the Capital Magnet Fund has the potential to bring hundreds of millions of dollars in new funding to the opportunity finance industry and nonprofit housing developers. LIIF recently opened a policy office in Washington, D.C., to increase its presence with Congress and to become even more involved in day-to-day advocacy on key national policy issues that serve to boost opportunity finance. For excellent work in championing the development of CDFIs, LIIF received the award for **ADVOCACY**.

“All four of these exceptional CDFIs have proven their ability to transform communities and their readiness to make significant leaps forward,” said Mike Rizer, executive vice president for the Wachovia Foundation. “We congratulate these organizations and look forward to the economic opportunity they will create in underserved markets.”

**Opportunity Finance Network (OFN)**, the leading national network of more than 160 community development financial institutions, creates growth that is good for communities, investors, individuals, and the economy. To date, the opportunity finance industry has financed more than $25 billion in underserved markets in all 50 states, yielding more than **200,000 jobs, 500,000 housing units, and 5,000 community facility projects**.

To arrange an interview with Mark Pinsky, CEO of the Opportunity Finance Network, the **Wachovia NEXT Award** recipients, and spokespersons from the Wachovia Foundation and MacArthur Foundation, please contact Jeanine Plant at 646.265.7721, 212.245.0510, or jplant@pro-mediacommunications.com.

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**ABOUT THE AWARDS**


Each year from 2007 through 2011, the **Wachovia NEXT Awards for Opportunity Finance** will include:

- A $5.5 million program-related investment (low-cost loan) and unrestricted grant award to an outstanding, high-potential CDFI with more than $50 million in assets dedicated to lending or investing;
- A $2.75 million program-related investment and unrestricted grant award to an outstanding, high-potential CDFI with $10-$50 million in assets dedicated to investing; and,
- Four $25,000 unrestricted grant awards to CDFIs of any size that have demonstrated excellence in Innovation, Advocacy, Financing, and Community Impact.
The two awardees for the multi-million dollar prizes are CDFIs with a history of outstanding accomplishment, a bold and compelling vision, extraordinary future potential for growth, innovation and impact, and a high degree of readiness to use and leverage a large, flexible investment successfully.

This year, Chicago-based IFF and Sante Fe-based Homewise, Inc. received the $5.5 million and $2.75 million awards respectively.

All award recipients have exhibited exemplary responsible lending to low-wealth and low-income individuals and institutions that transform communities.

**ABOUT THE GROUPS BEHIND THE AWARDS**

**Opportunity Finance Network** is the leading network of private financial intermediaries that delivers both sound financial returns and real opportunities for low-wealth people and communities in the U.S. Opportunity Finance Network Members originated more than $12.5 billion in financing in non-conforming urban, rural, and native communities through 2006. This generated or maintained 175,710 jobs; 39,583 businesses; 533,394 housing units; and 5,858 community facility projects. More information is available at: [www.opportunityfinance.net](http://www.opportunityfinance.net).

**The Wachovia Foundation** is a private foundation that provides grants to eligible 501(c)(3) tax-exempt organizations in two primary focus areas (education and community development, with an expanded focus on projects that promote environmental initiatives) and two secondary areas (health and human services, and arts and culture). The Foundation’s mission is to build strong and vibrant communities, improve the quality of life and make a positive difference. More information is available at: [www.wachovia.com/wachoviafoundation](http://www.wachovia.com/wachoviafoundation).

**The MacArthur Foundation** supports creative people and effective institutions committed to building a more just, verdant, and peaceful world. In addition to selecting the MacArthur Fellows, the Foundation works to defend human rights, advance global conservation and security, make cities better places, and understand how technology is affecting children and society. MacArthur has been a leading supporter of the Opportunity Finance field since the early 1980s, investing almost nearly $250 million in approximately 100 groups nationwide. More information is available at: [www.macfound.org](http://www.macfound.org).