



Selection Committee
2010

- Janie Barrera
ACCIÓN Texas

- Kimberlee Cornett
The Kresge Foundation

- Frank DeGiovanni
Ford Foundation

- Lautaro Diaz
National Council of La Raza

- Martin Eakes
Self-Help

- Gregory Fairchild
University of Virginia

- Sister Corinne Florek, OP
Mercy Partnership Fund

- Jackie Khor
Imprint Capital Advisors

- Marc Morial
National Urban League

- Sendhil Mullainathan
Harvard University

- Jeremy Nowak
The Reinvestment Fund

- Sharon Oster
Dean, Yale/School of Management

- Luis Pastor
Latino Community Credit Union

- Mark Pinsky
Opportunity Finance Network

- Michael Rizer
Wells Fargo Corporation
Co-Chair, Selection Committee

- Debra Schwartz
MacArthur Foundation
Co-Chair, Selection Committee

- Julia Stasch
MacArthur Foundation

- Eileen Stenerson
Wells Fargo

- Christa Velasquez
The Annie E. Casey Foundation

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For Immediate Release

**FOUR LEADING COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS
RECEIVE \$25,000 FROM WACHOVIA WELLS FARGO NEXT AWARDS FOR
OPPORTUNITY FINANCE**

Awardees responsibly lend in low-income and low-wealth communities

November 4, 2010, San Francisco, CA – Four of the nation’s top Community Development Financial Institutions (CDFIs) were awarded \$25,000 each in unrestricted grant prizes at the fourth annual **Wachovia Wells Fargo NEXT Awards for Opportunity Finance**. The awards program, held at the 2010 Opportunity Finance Network (OFN) Conference, is the nation’s largest and most prestigious awards program rewarding CDFIs for responsible lending.

Chosen for their outstanding accomplishments in the categories of “**Advocacy**,” “**Community Impact**,” “**Financing**,” and “**Innovation**,” 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. The four awardees are:

Forward Community Investments for Advocacy

The Advocacy award recognizes **Madison, Wisconsin**-based Forward Community Investments (FCI) for its work representing the very low-income un-served and underserved communities of Wisconsin. FCI’s advocacy work focuses on supporting nonprofits and CDFIs in Wisconsin. In 2009, FCI was instrumental in the passing of an amendment that preserved the tax-exempt status for nonprofit affordable housing providers. Without the amendment, nonprofits that provide housing to low-income individuals and families would have to pay property taxes, resulting in higher costs that would compromise the quality of housing and eliminate supportive services for low-income residents. In 2010, FCI worked closely with Wisconsin legislators to introduce a bill that would stimulate private investments in Wisconsin CDFIs by providing a state tax credit to individuals and corporate investors. Based on California legislation, the *Invest Locally to Grow Wisconsin Act* would provide a 10% tax credit for investments ranging from \$10,000-\$150,000 and a 12% tax credit for investments of \$150,000-\$500,000.

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Bethex Federal Credit Union for Community Impact

Bethex Federal Credit Union (Bethex), based in **the Bronx**, was awarded the Community Impact prize for achieving a high volume and quality of community outputs to a severely distressed market where the poverty rate is 40.8% and more than half of the children live in poverty. Bethex provides an impressive array of high-impact and high-volume programs and consumer services including low or no fee check-cashing services, volunteer income tax assistance, consumer loans, business loans, and real estate. Bethex holds a \$2.6 million portfolio of more than 1,000 consumer loans, a \$1.9 million portfolio of 46 small business loans, and a \$2.3 million portfolio of real estate loans including 10 cooperative apartment building loans to non-profit corporations that promote homeownership among low-income people and prevent purchases by outside investors and speculators.

Business Carolina for Financing

Headquartered in **Columbia, South Carolina** and providing loans to small businesses in South Carolina, North Carolina, and Georgia, Business Carolina (BCI) was selected to receive the Financing award for its substantial growth in financing and its leveraging of financing capital. BCI utilizes an active secondary market for its SBA 7(a)-guaranteed loans in order to maximize the economic impact of each dollar of capital that it lends. Through the sale of the guaranteed portion of each loan, BCI is able to recoup up to 90% of the original principal balance of the loan, plus a typical 5-7% premium. Through leveraging each loan dollar in this manner, BCI can fund up to \$10 million in loans for each \$1 million of capital lent. BCI has substantially grown its financing from \$13.5 million in FY 2007 to \$18.1 million in FY 2008 to \$35.1 million in FY 2009.

Access to Capital for Entrepreneurs for Innovation

Based in **Cleveland, Georgia**, Access to Capital for Entrepreneurs (ACE), formerly known as Appalachian Community Enterprises, received the Innovation award for its new green microenterprise and business lending program. In 2009, ACE launched Georgia Green Loans, which provides capital to businesses that provide an eco-friendly product or service or that wish to operate more sustainably. In its first year of operation, Georgia Green Loans provided \$377,756 to 16 businesses including a green architect, a solar installation operation, and a manufacturer of organic cotton baby goods as well as alternative transport, composting, and water pollution prevention businesses. Environmental metrics gathered include reduction in energy usage, materials removed from the waste stream, water use reduction, toxins eliminated, and renewable energy generated. By boldly stating a commitment to sustainability, ACE has attracted new partnerships and funding including a competitive \$700,000 grant from the Georgia Environmental Facilities Authority, an SBA PRIME grant to create the national Academy of

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Green Micro-enterprise Development, and SBA Microloan Program financing to support a joint effort among ACE and two other lenders to provide green loans in every Georgia county.

"Each of the four awardees has an outstanding record of serving their communities, and demonstrates what it means to be a NEXT CDFI," said Mark Pinsky, President and CEO of OFN, the leading national network of high-performance CDFIs.

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ABOUT THE AWARDS

The Wachovia Wells Fargo Foundation made a \$16.75 million grant and the MacArthur Foundation made a \$25 million low-cost, long-term loan to Opportunity Finance Network to fund the **Wachovia Wells Fargo NEXT Awards for Opportunity Finance**, inaugurated in 2007. Each year from 2007 through 2011, the **Wachovia Wells Fargo 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 lending or 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 will be 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.

ABOUT THE GROUPS BEHIND THE AWARDS

Opportunity Finance Network (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) who deliver responsible lending to help low-wealth and low-income communities join the economic mainstream. Over the past 30 years, the opportunity finance industry has provided more than \$30 billion in financing to underserved markets nationwide. In 2008, OFN Members financed more than 200,000 jobs, 600,000 housing units, 50,000 businesses and microenterprises, and 6,000 community facility projects. More information is available at: www.opportunityfinance.net.

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The Wachovia Wells Fargo Foundation is a private foundation that provides grants to eligible 501(c)(3) tax-exempt organizations to support the following focus areas: Education, Community Development, Health/Human Services, Arts/Culture, Civic and Environment. The mission of the Wachovia Wells Fargo Foundation is to build strong and vibrant communities, improve the quality of life, and make a positive difference.

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 nearly \$250 million in approximately 100 groups nationwide. More information is available at: www.macfound.org.

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