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**WACHOVIA NEXT AWARDS FOR OPPORTUNITY FINANCE HONOR
TWO OUTSTANDING COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS
WITH \$8.25 MILLION**

**Industry's Largest, Most Prestigious Awards Program Rewards Responsible
Lending in Underserved Markets**

***Chicago-based IFF aims to dramatically expand reach for tough times ahead:
Santa-Fe-based Homewise, Inc. shows innovative, sustainable models for
successful homeownership***

ALBUQUERQUE, N.M.— Two of the nation's top-performing Community Development Financial Institutions (CDFIs) – Chicago-based IFF and New Mexico-based Homewise – were honored last night at the national 2008 Opportunity Finance Network (OFN) Conference for innovative, responsible lending programs that directly benefit low-and moderate-income communities.

As part of the second-annual **Wachovia NEXT Awards for Opportunity Finance**, the two organizations received grants and low-cost loans known as "program-related investments" totaling \$8.25 million. **IFF** received **\$5.5 million** and **Homewise** received **\$2.75 million**. A distinguished national selection committee chose the two groups from a highly competitive field of ten semi-finalist organizations. The award amounts are based on each organization's asset size – \$5.5 million for CDFIs with assets over \$50 million and \$2.75 for those with assets in the \$10-\$50 million range.

IFF was chosen because it is expanding dramatically across a five-state region, giving nonprofits that operate child care centers, health clinics and other community facilities access to affordable financing and expert real estate development assistance. **Homewise** won because it continues to enhance its innovative, customer-focused HomeSmart™ program, which helps low- and moderate-income families successfully purchase, maintain and improve their homes by providing them with education, loans and other services.

"Each award recipient has blazed an unlikely trail on solid ground against expectations," said Mark Pinsky, President and CEO of the Philadelphia-based OFN, the leading national network of high-performance CDFIs. "These awards recognize the outstanding achievements and extraordinary future potential of two leading CDFIs. **The Wachovia NEXT Awards** also spotlight how the entire Opportunity Finance field benefits our nation's economy through responsible lending, investing and financial services."

CDFIs are market-driven, private sector institutions dedicated to meeting the financial needs of disadvantaged and hard-to-serve markets nationwide. They include banks, credit

Selection Committee
2008

Frank DeGiovanni
Ford Foundation

Martin Eakes
Self-Help

Joe Hasten
ShoreBank Corporation

Paul Light
Wagner School
New York University

Eugene Ludwig
Promontory Interfinancial Network

Elsie Meeks
First Nations Oweesta Corporation

Cecilia Muñoz
National Council of La Raza

Jeremy Nowak
The Reinvestment Fund

Sharon Oster
Yale University

Mark Pinsky
Opportunity Finance Network

Luther Ragin, Jr.
The F.B. Heron Foundation

Michael Rizer
Wachovia Foundation
Co-Chair, Selection Committee

Debra Schwartz
MacArthur Foundation
Co-Chair, Selection Committee

Julia Stasch
MacArthur Foundation

Eileen Stenerson
Wachovia

Christa Velasquez
The Annie E. Casey Foundation

Sir Ronald Cohen
The Portland Trust
International Advisor

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unions, loan funds, and venture capital funds. There are more than 700 CDFIs in the United States.

Since 2007, the **Wachovia NEXT Awards for Opportunity Finance, in partnership with The John D. and Catherine T. MacArthur Foundation**, has been run and funded through OFN with support from the Wachovia Foundation and the John D. and Catherine T. MacArthur Foundation. The program recognizes excellence within the CDFI field and is designed to propel high-potential organizations to a next level of growth, success, and staying power.

"The services provided by community development finance institutions are especially critical today, as the country struggles with the economics crisis and access to capital is constrained," said MacArthur President Jonathan Fanton. "The IFF and Homewise have excellent track records of bringing their expertise and their capital to individuals and communities most in need. We hope these awards will help more policymakers and investors appreciate the pivotal role that CDFIs play in improving our financial system and the valuable contributions they are poised to make in the years ahead."

The two awardees:

IFF, based in Chicago, received a **\$5.5 million** award. Founded in 1990, this rapidly growing CDFI has financed or developed hundreds of nonprofit-owned facilities and real estate projects across the state of Illinois. These projects include child care centers, charter schools, affordable and supportive housing, health clinics, arts and cultural centers, and others that, combined, serve more than 700,000 low-income and special-needs clients each year. As the Midwest's largest CDFI dedicated solely to meeting the real estate needs of nonprofits, IFF has distinguished itself through the scale, creativity and discipline of its lending. IFF has recently moved to extend beyond its home state of Illinois by providing its specialized financial and consulting services to nonprofits across a five-state region: **Illinois, Missouri, Iowa, Indiana, and Wisconsin.**

According to Pinsky, "The selection committee chose IFF because its regional expansion plan is bold, timely, and responsive to significant, unmet needs. Combined with its proven record of promoting policy change and groundbreaking public-private partnerships, IFF has clearly demonstrated a readiness to implement its vision for dramatic growth and lasting community impact."

Homewise, Inc, located in Santa Fe, received the \$2.75 million award. Founded in 1986, this innovative CDFI has made loans to help over 1,200 households buy and improve their homes and provided homeownership education to more than 3,000 people in the New Mexico market. Its user-friendly HomeSmart™ program is designed to help low-and moderate-income families build long-term financial wealth and security by fostering successful homeownership. The organization's comprehensive array of customer-focused services include: classes on home improvement and repair; one-on-one counseling; fully underwritten, fixed-rate loans; dedicated real estate brokers; development and sale of new, affordable homes.

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"Homewise impressed the selection committee with its integrated, cutting-edge approach to making homeownership sustainable for low- and moderate-income families, even in a high-cost market," said Pinsky. "We believe this model has great potential for national replication."

"We congratulate IFF and Homewise, Inc. on their exceptional accomplishments to-date, which demonstrate their ability and readiness to transform underserved communities," said Mike Rizer, executive vice president for the Wachovia Foundation. "We're proud to continue our long-standing support for the Opportunity Finance industry with our investment in the **Wachovia NEXT Awards for Opportunity Finance**, which will help innovative, up-and-coming CDFIs grow and create even more economic opportunity for families and communities."

Last year's awardees were the Latino Community Credit Union (LCCU) of Durham, N.C. and ACCION Texas, a statewide organization based in San Antonio. LCCU is using its \$5.5 million award to keep pace with its growing market of immigrant and low-income customers across North Carolina. ACCION Texas has put its \$2.75 million prize into building its capacity to finance entrepreneurs in Texas and neighboring states with a proprietary, web-based system for credit scoring and micro-loan servicing.

Opportunity Finance Network (OFN), the leading national network of more than 160 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 to interview Mark Pinsky, President and CEO of the Opportunity Finance Network, the **Wachovia NEXT Award** awardees and spokespersons from the Wachovia and MacArthur Foundations, please contact Jeanine Plant at 646.265.7721, 212.245.0510, or jplant@pro-mediacomunications.com.

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ABOUT THE AWARDS

The Wachovia 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 NEXT Awards for Opportunity Finance**, inaugurated in 2007.

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;

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- 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's **\$25,000** awardees are **Syracuse Cooperative Federal Credit Union** for "Community Impact," **Coastal Enterprises, Inc.** for "Financing," **Federation of Appalachian Housing Enterprises, Inc.** for "Innovation," and the **Low Income Investment Fund** for "Advocacy."

All awardees have exemplary records of responsible lending that expands economic opportunity among low-wealth and low-income people and strengthens their 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.

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.

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.

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