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## **Community Reinvestment Fund, USA Embraces Green Building with New Business Loan**

*Loan program will help businesses in low-income communities finance energy improvements*

NEW YORK – August 18, 2009 – [Community Reinvestment Fund, USA](http://www.crfusa.com) (CRF), a nonprofit organization that connects community development lenders with the capital resources of Wall Street, today announced it is developing a small business loan for green building improvements. CRF made the announcement during a special green building ceremony at the New York Stock Exchange.

The proposed loan, the CRF Capital Solutions – NMTC Green Building Loan for Businesses, would be an extension of CRF's existing New Markets Tax Credit (NMTC) loan product family and would be funded by NMTC tax credits. CRF is currently identifying partners and investors for the loan and plans to launch a regional pilot in St. Paul and Minneapolis, Minn. sometime in 2010.

"Proportionally, small businesses pay more for energy than large firms, making them more vulnerable to energy price increases – yet most existing energy conservation loan programs only support large capital investments," said Frank Altman, president and chief executive officer of CRF. "After 20 years of serving the capital needs of small businesses in low-income communities, CRF is uniquely suited to meet the growing demand for green building loans that will help spur development in these communities."

### **A Growing Demand**

Small commercial and manufacturing businesses carry an especially heavy burden when it comes to energy costs. According to the U.S. Small Business Administration (SBA), these businesses carry about 20-35 percent higher average energy costs than their larger counterparts. Small businesses are often quick to adopt practices that will result in lower costs, but many businesses also lack the financial and organizational resources to fund green building enhancements.



“Businesses investing in green building improvements can not only achieve lower energy costs, but can improve the long-term value of their properties,” said Mike Italiano, president and chief executive officer of the [Capital Markets Partnership](#) (CMP), a nonprofit coalition of investors, government agencies and NGOs promoting sustainable investment. “Green and climate-neutral buildings are more valuable to prospective tenants and command higher rents because of their energy saving properties,” Italiano said.

### **Determining “Green” Standards**

CRF is partnering with CMP to incorporate its Green Building Underwriting Standards into its NMTC Green Building Loan for Businesses. CMP debuted its standards at the New York Stock Exchange ceremony, as part of its briefing paper presentation on sustainable investment business.

CMP’s standards are an ideal measurement for lenders, investors and developers to determine an asset’s “greenness” at the time of financing or acquisition. Determining and disclosing an asset’s CMP Green Score will better enable investors to fulfill fiduciary responsibilities, improve real estate industry underwriting and lead to better risk-adjusted investment decisions.

Though the product is still in development, CRF envisions the NMTC Green Building Loan for Businesses might cover a variety of improvements, including building-shell renovations as well as new heating and cooling equipment. “We want to make it as easy as possible for small businesses to save money and reduce environmental impact,” Altman said. “Ideally, everything from weather-stripping to new lighting to full-scale green renovations would qualify for this loan.”

### **CRF’s NMTC Green Building Loan Partners**

CRF is partnering with two Twin Cities-based organizations to launch the NMTC Green Building Loan for Businesses pilot program – the City of Minneapolis Office of Community Planning and Economic Development (CPED) and the Saint Paul Port Authority (SPPA). The Minneapolis CPED and SPPA will be primary lending partners for the program, connecting qualified borrowers with CRF.

### **About CRF**

Community Reinvestment Fund, USA (CRF), a nonprofit organization and certified Community Development Financial Institution (CDFI), is the nation’s leader in bringing capital to public and private, nonprofit community development lenders through the secondary market for community development loans. Formed in



1988, CRF has injected more than \$1 billion into low-income and economically disadvantaged communities around the country to help stimulate job creation and economic development, provide affordable housing, and support community facilities. CRF is headquartered in Minneapolis, Minn. [www.crfusa.com](http://www.crfusa.com).

### **About Capital Markets Partnership**

The Capital Markets Partnership (CMP) is a rapidly-growing nonprofit coalition of investors, investment banks, insurers, city, state and federal government, countries, and NGOs who have come together to create a set of underwriting standards that incorporate green building attributes into standard real estate underwriting practices. [www.capitalmarketpartnership.com](http://www.capitalmarketpartnership.com).

### **About the City of Minneapolis Office of Community Planning and Economic Development**

The Department of Community Planning and Economic Development (CPED) works to grow a sustainable city. CPED is organized into three divisions: Planning, Housing and Economic Development. CPED executive administration provides leadership and support for all three divisions and also oversees the Minneapolis Empowerment Zone.

### **About the Saint Paul Port Authority (SPPA)**

The Saint Paul Port Authority is an industrial redevelopment organization in St. Paul, Minn. and a key CRF partner in developing its NMTC Green Building Loan for Businesses pilot program in the Twin Cities. SPPA will be a primary lending partner when the pilot program launches, connecting qualified business borrowers with CRF.

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