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Capital for Communities—
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Sweet Success – Community Reinvestment Fund, USA Helps Café Valley Bakery Finance New Facility

New Markets Tax Credit loans from U.S. Bank and CRF will fund a 285,950 square-foot bakery and create 125 new jobs in Phoenix, Ariz.

MINNEAPOLIS (June 15, 2010) – [Community Reinvestment Fund, USA](http://www.crfusa.com) (CRF), a nonprofit organization that connects community development lenders with the capital resources of Wall Street, announced it has closed \$25 million in New Markets Tax Credit (NMTC) allocation financing to Café Valley Bakery of Phoenix, Ariz. [U.S. Bancorp Community Development Corporation](http://www.usbank.com), a subsidiary of U.S. Bank, served as NMTC investor. NMTC funding will finance a new, 285,950 square-foot facility that will modernize and consolidate the company's operations under one roof.

“For more than 20 years, we have provided our customers – including Costco and Sam’s Club – with the freshest, highest quality baked goods available,” said Ron Ogan, president of Café Valley Bakery. “Now, thanks to CRF and U.S. Bank, we will have more space for production, new equipment and expanded warehouse and cold storage capabilities. When the project is finished in November 2010, we are looking forward to boosting our revenue as we continue to provide well-paying jobs in southwest Phoenix,” Ogan said.

Café Valley Bakery specializes in wholesale bakery products, such as croissants, pastries, muffins, cakes and cinnamon rolls, which it supplies to supermarkets and convenience stores throughout the contiguous United States. The new factory is being built from the ground up and is expected to create 125 new full-time factory jobs, along with 121 full-time construction jobs between now and November.



New Markets Tax Credit Seals the Deal

CRF's \$25 million NMTC allocation helped provide Café Valley Bakery with the financing it needed to purchase equipment and break ground on its new facility. The NMTC Program is designed to help established businesses in low-income communities and to keep their operations local, with financing for real estate acquisition, equipment purchases or operating expenses.

As one of the country's largest NMTC allocatees specializing in business loans, CRF enthusiastically supported Café Valley's expansion by offering NMTCs to equity investors – in this case, U.S. Bancorp Community Development Corporation. Café Valley's new facility will be an attractive commercial development in a blighted neighborhood, where nearly 16 percent of the residents live below the poverty line and the median family income is slightly more than half that of neighboring communities.

"The NMTC Program is designed to boost investment to help economically distressed communities and, ultimately, improve people's lives," said Marc Hirshman, director of New Markets, Historic, and Renewable Energy Tax Credit Investments for USBCDC. "We are proud to have worked with a mission-oriented organization such as CRF to maximize the benefit of the NMTC Program and create 125 new jobs."

"This is more than a simple business expansion – Café Valley's new facility will have a lasting impact on the people living in southwest Phoenix," said Frank Altman, president and chief executive officer for CRF. "In addition to employing hundreds in the community, Café Valley also has a relationship with a local, minority-owned food brokerage business. The increased production capacity at Café Valley represents a significant growth opportunity for this vendor, and demonstrates how community investment drives even greater ancillary benefit to entire cities and regions," Altman said.

About the U.S. Treasury Department's New Markets Tax Credit Program

Created in 2000, the New Markets Tax Credit (NMTC) Program is administered by the U.S. Treasury Department's Community Development Financial Institutions Fund (CDFI Fund). The program serves as a catalyst for private capital investment in urban and rural low-income communities by allowing investors to receive a credit against federal income taxes for equity investments in designated Community Development Entities (CDEs).



Substantially all of the qualified equity investment must in turn be used by the CDE to provide investments in low-income communities.

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.

About U.S. Bancorp Community Development Corporation

With assets of over \$6 billion, [U.S. Bancorp Community Development Corporation \(USBCDC\)](http://www.usbank.com) finances community development and affordable housing projects through the use of New Markets Tax Credits, Historic Tax Credits, Low-Income Housing Tax Credits, and Investment Tax Credits in Renewable Energy. USBCDC is a subsidiary of U.S. Bank, the 5th largest commercial bank in the United States, whose parent company is U.S. Bancorp (NYSE: USB). With \$282 billion in assets, the company operates over 3,000 banking offices and over 5,100 ATMs in 24 states, and provides a comprehensive line of banking, brokerage, insurance, investment, mortgage, trust and payment services products to consumers, businesses and institutions. Visit U.S. Bancorp on the web at www.usbank.com.

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