

SOURCE: National New Markets Fund, LLC



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National New Markets Fund Closes \$15 Million in Tax Credit Financing for Landmark Homeless Transformation Campus in San Antonio

New \$99 Million Haven for Hope Will Address Root Causes of Homelessness; Equity Investment by Wells Fargo Supports \$40 Million in New Markets Tax Credit Funding

SAN ANTONIO, TX--(Marketwire - January 11, 2010) - National New Markets Fund, LLC -- a New Markets Tax Credit (NMTC) fund created by Los Angeles-based Strategic Development Solutions (SDS) and Boston-based Economic Innovation International, Inc. -- has closed \$15 million in NMTC allocation to help complete development of the 37-acre Haven for Hope homeless transformation campus in San Antonio.

The \$99 million campus will serve as a one-stop center for helping the city's homeless population. When complete, it is expected to save taxpayers more than \$49 million annually by integrating a wide range of social services from more than 70 partner agencies.

The project is being funded as a public-private partnership, with strong support and financial backing from key stakeholders including the State of Texas, Bexar County, the City of San Antonio, city utilities, New Markets Tax Credit Allocates and numerous corporate, foundation and individual donors. The effort is being led by business and civic leader Bill Greehey, who serves as the Haven for Hope's board chairman, and personally donated \$25 million to the project. Wells Fargo Bank is the tax credit investor.

"Federal New Markets Tax Credits are making it possible for us to build a state-of-the-art center that will provide the homeless with all of the services they need to transform their lives," said Mr. Greehey. "Our goal is to address the root causes of homelessness, while rehabilitating a previously blighted area and providing much needed services for the working poor in our community. We believe Haven for Hope will serve as a national model for other cities combating homelessness."

National New Markets Fund President and Co-Founder Deborah La Franchi added, "The New Markets Tax Credit Program was designed specifically to facilitate this type of investment and help the neediest populations become socially and economically integrated into their community."

Located adjacent to San Antonio's Central Business District, the campus will be comprised of 15 buildings with approximately 440,000 s.f. of indoor space. The buildings, including revitalized structures that were previously abandoned, will be separated by numerous outdoor green spaces. The expansive campus will include more than 1,100 beds in separate facilities to house men, women, families, veterans and substance abusers, plus a safe sleeping area for an additional 500 individuals nightly.

Services will cover nearly 150 different types of functional assistance, including comprehensive healthcare (medical, dental, vision and mental health), education, job training, legal, case management, public-run services and benefit programs, childcare, family support, veteran's services, substance abuse detox and treatment, basic needs (food, clothing, hygiene, etc.), life skills training, housing placement assistance, a community court system, recreation, pet shelter, financial counseling and services, and spiritual services. Many of these services will also be available to the general community.

"Haven for Hope's strategy to help the San Antonio community conquer homelessness is remarkable," said Wells Fargo NMTC Compliance Director Wanda Clark.

The Haven for Hope campus will employ environmentally-friendly construction and operational strategies that include adaptive reuse of existing facilities, Energy Star roofing, interior spaces that maximize natural daylight, raised floors, future solar energy production and operational recycling programs -- to mention just a few. Phase I Construction broke ground in Spring of 2008 and is slated for completion in Spring 2010. Several of the Phase I facilities are already operational. Future plans include a Phase II project with supportive housing units to help further assist the transition from living on campus to living independently in the community.

Belden Hull Daniels, co-founder and CEO of National New Markets Fund concluded, "This investment demonstrates the enormous power of public-private partnerships, as well as the effectiveness of NMTCs in helping bridge financial gaps in the funding mix."

Over the past year, National New Markets Fund has made numerous New Markets Tax Credit investments. Most recently, it closed NMTC financing to help redevelop the landmark Argonaut Building in Detroit and McCullough Center in Cleveland into vibrant arts education centers. Other recent projects include funding for: two Habitat for Humanity affiliates in Mississippi working to develop 85-plus new homes; the Plaza Adelante nonprofit services center in San Francisco; the Mercy Corps World Headquarters in Portland; and several projects in the GO (Gulf Opportunity) Zone including the National World War II Museum, Ochsner Baptist Medical Center, Hammond Square Mall, and the Second Line Stages film studio. Second Line Stages was named Best Tax Credit Financed Project in the Nation by the Council of Development Finance Agencies (CDFA), while the Argonaut Building, Mercy Corps Headquarters, and Plaza Adelante each earned awards for exceptional use of NMTCs from the Novogradac Community Development Foundation (NCDF).

About the New Markets Tax Credit Program

Created in 2000, the New Markets Tax Credit (NMTC) Program is administered by the US Treasury Department's Community Development Financial Institutions (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). To date, the CDFI Fund has made 495 awards totaling \$26 billion in allocation authority.

About National New Markets Fund

National New Markets Fund, LLC (NNMF) invests in real estate projects in targeted low-income communities nationwide. Its mission is to provide funding and technical assistance for projects that foster job creation and overall economic and social development. The Fund consists of \$125 million in New Markets Tax Credit (NMTC) Allocation awarded by the U.S. Department of the Treasury. Investments are currently focused in the South, Midwest and California's Central Valley. The Fund was created in 2005 as a partnership between Los Angeles-based Strategic Development Solutions (SDS) and Boston-based Economic Development International. SDS was founded in 2001 by Deborah La Franchi, and has become a market leader in the creation of Double and Triple Bottom Line private equity and real estate funds. Economic Innovation International, Inc. was founded in 1970 by Belden Hull Daniels, and is recognized internationally for building more than \$100 billion of privately capitalized, innovative institutions that generate wealth and high quality jobs. More information about National New Markets Fund is available at www.SDSgroup.com/nmf-project-list.html.

About Haven for Hope

Haven for Hope, a San Antonio-based nonprofit organization and the project developer, provides homeless individuals and families with the training, skills and assistance needed to help them become self-sufficient, and to do so in cost-effective and sustainable manner. The new Campus will achieve this mission by co-locating nearly 50 independent service organizations and partnering with an additional 30 off-site referral agencies to address the comprehensive life needs of residents. More information is available at www.HavenForHope.org.

About Wells Fargo

Wells Fargo & Company (NYSE: WFC) is a diversified financial services company with \$1.2 trillion in assets, providing banking, insurance, investments, mortgage and consumer finance through more than 10,000 stores and 12,000 ATMs and the internet (wellsfargo.com) across North America and internationally. Wells Fargo's

Community Lending and Investment division provides debt and equity capital for economic development, job creation and affordable housing in areas of need nationwide. More information about the company's New Markets Tax Credits program is available at www.wellsfargo.com/nmtc.

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