

Community Development Deal Summary



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WACHOVIA

Project name: Selp Help Ventures Fund (SHVF)

Project city and state: HQ-Durham, NC; projects will be in the SE and DC

Tax credits involved? Yes, Wachovia used \$15MM of its New Market Tax Credit (NMTC) allocation to provide debt capital to SHVF.

Wachovia type of financing and finance amount (\$):

Wachovia used \$15MM of its NMTC allocation to provide lower cost debt capital to SHVF which will enable SHVF to increase target activity.

Descriptions of borrower's business:

Self Help Ventures Fund is a CDFI that provides real estate and small business financing, and other forms of assistance to disadvantaged borrowers. It is one of the largest and most respected CDFIs and has virtually made an orderly secondary market in pooling single family mortgage loans from LMI borrowers and locations. Martin Eakes is CEO.

Wachovia finance closing date: December 2006

Facility overview purpose: Wachovia provided a below market rate NMTC subsidized loan to Self Help Ventures Fund, itself a NMTC recipient. SHVF will make NMTC subsidized loans to Qualified Low Income Community Businesses. The types of loans to be originated as a result of Wachovia NMTC loan to SHVF include neighborhood retail, office, mixed use, community centers, community health centers and charter schools.

Unique characteristics: This is Wachovia's second structure using its NMTC allocation to provide a reduced rate loan to a CDFI, which will then extend end loans to qualified borrowers. The loans to qualified borrowers will have rates and terms better than market, made possible by Wachovia's initial NMTC financing.

Population served:

The loans that SHVF originates as a result of Wachovia's capital investment (NMTC) must be to businesses or borrowers located in "specially targeted areas," as defined as census tracts with a poverty rate of 30% or greater, median income less than 60% of area median income or other qualifying criterion (Low-Income Areas).

Geographic location: The facility will benefit low-income individuals and businesses largely in the mid Atlantic region.

Community impact: Capital will be used to finance projects/businesses in low income areas, which will subsequently spur job creation and economic development in general.