

**OPPORTUNITY FINANCE NETWORK PRAISES SENATE BANKING COMMITTEE ON
PASSAGE OF FEDERAL HOUSING FINANCE REGULATORY REFORM ACT OF 2008**

*Community Development Financial Institutions (CDFI) leader says
Senate Banking "Opened the door to opportunity for millions of Americans"*

PHILADELPHIA, PA./May 20, 2008//Statement by Mark Pinsky, President & CEO of Opportunity Finance Network: "The Senate Banking Committee today is opening the door to opportunity for millions of Americans with its approval of the Federal Housing Finance Regulatory Reform Act of 2008. Senator Dodd and Senator Shelby have embraced the bipartisan principle that encouraging private investment in housing markets in general, and in affordable housing markets and low-income communities in particular, can go hand-in-hand with sound regulation. The inclusion of Senator Reed's Capital Magnet Fund will encourage continued innovation and maximize the impact of private investment in opportunity markets across the country."

About Opportunity Finance Network

Opportunity Finance Network (OFN) is the leading network of private financial intermediaries – opportunity finance and community development financial institutions (CDFIs) – with a proven expertise in lending prudently and productively in unconventional markets. Working in urban, rural, and Native communities we deliver sound financial returns and real changes for people and markets. The Members of OFN originated \$12.5 billion in financing through 2006. This has generated or maintained 175,710 jobs; 39,583 businesses; 533,394 housing units; and 5,858 community facility projects. With cumulative net charge-off rates of less than 1% we are dedicated to closing the gap between promising opportunities and real accomplishments for our nation's people, communities, and markets that are outside the economic mainstream today. For more details go to www.opportunityfinance.net.

BACKGROUND

In the Federal Housing Finance Regulatory Reform Act of 2008, Opportunity Finance Network was a proponent of an Affordable Housing Fund (now called the National Affordable Housing Trust Fund) and Capital Magnet Fund, as well as a "duty to serve" underserved markets by the GSEs.

National Affordable Housing Trust Fund. Opportunity Finance Network supported a National Affordable Housing Trust Fund that focuses on extremely low- and very low-income families and the revitalization of low-income communities.

Capital Magnet Fund. The Capital Magnet Fund provides federal grants to leverage private capital for low-income housing and for revitalization of low-income communities. According to the U.S. Department of Treasury, CDFIs leverage \$19 in non-federal funds for each federal dollar invested.ⁱ

Duty to Serve Underserved Markets. The GSE reform includes the addition of a duty to serve underserved markets, including the requirement that the enterprises lead the industry for new and existing manufactured housing, affordable housing preservation, subprime borrowers, rural markets, and CDFIs.

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ⁱ "The Difference the CDFI Fund Makes," CDFI Fund website (2008): http://www.cdfifund.gov/impact_we_make/overview.asp.