

CLEARINGHOUSE CDFI

Lake Forest, CA



OVERVIEW

Clearinghouse Community Development Financial Institution (Clearinghouse CDFI) operates as a dedicated force for positive change, serving for 28 years. Our commitment extends to delivering substantial financing to underserved communities across the southwest, embodying a mission to enhance economic opportunities and the quality of life for lower-income individuals.

Functioning as a nationwide, full-service, direct lender with a focus on California, Nevada, Arizona, New Mexico, Texas, and Indian Country, Clearinghouse CDFI provides innovative and affordable financing solutions for projects spanning affordable housing, community facilities, small businesses, and commercial real estate. Our approach to racial equity financing involves close collaboration with borrowers, implementing creative solutions to disrupt disinvestment cycles and foster long-term development. Clearinghouse CDFI's impact reaches beyond financial services, contributing to the creation of thriving, healthy communities.

TERRA ALEUTIANS

TERRA Network is a hybrid terrestrial fiber-optic & microwave network under development by General Communication Inc. (GCI). TERRA brings connectivity to some of Alaska's most remote regions—delivering access to healthcare, education, and other critical public resources to more than 45,000 Native Alaskans. The TERRA Network is 3,300 miles long—further than Seattle to Miami—and includes both overland and undersea fiber.

Terra Aleutians, phase two of a three-phase Unicom Project, expanded existing high-speed internet and telecommunication infrastructure via fiber-optic cable to bring affordable and effective broadband to another rural, low-income community: the Aleutian Islands.

The Aleutian Islands, inhabited by Native Alaskans, suffer from isolation, poor access to health services, and substandard educational tools. Similar to the project impacts in phase one, phase two brought dependable broadband access to improve the quality of life for Native Alaskans living in the Aleutian Islands by providing them with improved access to critical remote medicine, economic growth opportunities, and education. The five communities served are each located in an Alaska Native Village Statistical area in economically distressed and underserved counties of Larsen Bay, Sand Point, King Cove, and Akutan.

This second phase of the project faced the same financing challenges as phase one: complex construction plans, the rural location of the project, and very challenging financial ratios. After many years of searching for financing, the borrower turned to Clearinghouse CDFI and the New Markets Tax Credit community for all three project phases. Wells Fargo provided NMTC equity on phase two, and GCI Communication Corp provided leverage debt.

Phase two serves 2,715 residents (95% of clients served are low-income). It created 211 construction jobs, all paying a living wage.

THREE-YEAR IMPACT

- ▶ 624 loans totaling \$448.5 million
- ▶ \$15.8 million in equity investments
- ▶ 31 community facilities and 624 businesses financed (117 minority-owned, 175 women-owned)
- ▶ Job creation: 3,650 FTE construction jobs, 5,837 FTE permanent jobs

Housing Financing:

- ▶ 3,002 rental units (2,174 affordable)
- ▶ 302 single-family units (286 affordable)

Green Financing Examples

- ▶ Over the past 3 years, CDFI invested in real estate projects to champion green energy, decarbonization, and climate mitigation. These initiatives strategically incorporate technology to minimize greenhouse gas emissions in diverse areas, including commercial, mixed-use commercial, community, health, housing, and industrial sectors.