



OCFC
OHIO CAPITAL
FINANCE
CORPORATION

PRESS RELEASE

Contact: Mary Kay Meagher
614-224-8446

FOR IMMEDIATE RELEASE

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Ohio Capital Finance Corporation (OCFC) Awarded \$4.9M from the Capital Magnet Fund

(Only 40 of 120 applicants were awarded funding from this third round of the Capital Magnet Fund created by Community Development Financial Institution Fund – US Department of the Treasury)

March 23, 2018

Columbus, OH. – The U.S. Department of Treasury’s Community Development Financial Institutions (CDFI) Fund announced that the Ohio Capital Finance Corporation (OCFC), an affiliate of the Ohio Capital Corporation for Housing, was awarded \$4,900,000 from the Capital Magnet Fund to assist in leveraging private capital for use in affordable housing throughout Ohio and Kentucky. The critical below-market-rate financing offered by OCFC because of this award will reduce overall development costs to help make this housing possible. OCFC anticipates its financing will result in 1,500 affordable housing units.

“OCFC is honored to receive its third consecutive award of Capital Magnet Funds from the CDFI Fund,” said Jon Welty, Executive Director of Ohio Capital Finance Corporation. “This award creates an innovative opportunity for OCFC to provide and leverage additional dollars for affordable housing in Ohio and Kentucky.”

OCFC will leverage the \$4.9 million CMF Award with private investor capital from community and regional financial institutions to create a \$25M funding pool for affordable housing.

“By increasing access to affordable housing, we can give low-income families the opportunity to work toward financial security and help give all Ohio families a safe, stable place to call home,” said U.S. Senator Sherrod Brown (D-OH).

Over a 5-year period, OCFC expects to provide a total of over \$200 million in total project cost financing for affordable rental housing. OCFC will provide below-market rate construction and equity bridge loans to Low Income Housing tax Credit projects, allowing for increased project equity and reduced debt allowing for lower tenant rents, which are needed in underserved markets. OCFC intends to lend a majority of these funds to projects in Areas of Economic Distress and provide funding for approximately 250 units in Non-Metro Counties.

The Ohio Capital Finance Corporation was created in 2002 to provide a flexible source of capital through predevelopment, acquisition and bridge financing to developers of affordable housing.

To date, the OCFC and its sponsored loan funds have lent over \$450 million through 575 loans utilized to develop and preserve more than 22,000 units of affordable housing across Ohio. OCFC was one of 23 awardees to receive a \$5M CMF award in the 2010 inaugural year funding cycle. Affordable housing production from the prior CMF award has assisted in the production of 1,001 units, 19 loans and successfully leveraged the award into \$158M of total project costs.

OCFC is an affiliate of Ohio Capital Corporation for Housing, a non-profit financial intermediary that provides developers of affordable housing with access to capital markets. Created in 1989, OCCH has raised over \$4.0 billion in equity investment, financed more than 45,000 units of affordable housing, and assisted in the creation of more than 800 affordable projects.

The Capital Magnet Fund helps low-income families and economically distressed communities by attracting investment for affordable housing and related economic development. The Capital Magnet Fund provides competitively awarded grants to CDFIs and qualified non-profit housing organizations to develop, rehabilitate, preserve, and purchase affordable housing for Low-, Very Low-, and Extremely Low-Income families. Capital Magnet Fund awards finance affordable housing activities, as well as related economic development and community service facilities such as day care centers, workforce development centers and health care clinics. Awardees utilize financing tools such as loan loss reserves, loan funds, risk-sharing loans, and loan guarantees to produce eligible activities within five years with aggregate costs that are at least ten times the size of the award amount.

The Capital Magnet Fund, created in the Housing and Economic Recovery Act of 2008, is funded by contributions from Government Sponsored Enterprises (GSEs) Fannie Mae and Freddie Mac and is overseen by the CDFI Fund.

Read the full CDFI Fund Press Release at [https://www.cdfifund.gov/news-events/Pages/news-detail.aspx?NewsID=293&Category=Press Releases](https://www.cdfifund.gov/news-events/Pages/news-detail.aspx?NewsID=293&Category=Press%20Releases)