

Community *focus*

FAHE's mission is to lead its network of Appalachian organizations to sustainable growth & measurable impact through collective voice & access to capital that creates housing & promotes community development

FAHE Receives National Award for Innovation

At a ceremony in December, the Opportunity Finance Network presented its Wachovia NEXT Award for Opportunity Finance for Innovation to FAHE. The award acknowledges FAHE's pioneering application of Low-Income Housing Tax Credits to support citizens with special needs in distressed rural areas. This is no small feat, as these funds historically have been used in cities, seldom touching rural communities. In under two years, FAHE attracted more than \$17 million in private equity investments to develop multiple rental housing projects for the disabled. Through its inventive strategy, FAHE bridges market gaps by offering a market-rate return to mainstream financial institutions that want to create opportunities and spark growth in hard-to-serve markets.



FAHE President, Jim King, accepting the Wachovia NEXT Award for Innovation at the Opportunity Finance Network's conference in Albuquerque, New Mexico.

In other news...

- ▶ In October, Kentucky Housing Corp. presented its 2008 Homeownership Award to JustChoice Lending, FAHE's mortgage division.
- ▶ In November, the Lodestar Foundation announced FAHE as one of the semi-finalists for their Collaboration Prize.

Over the past year, FAHE emerged as a true leader among community development financial institutions, receiving multiple recognitions for its social enterprises. The Wachovia NEXT Awards for Opportunity Finance is the nation's largest and most prestigious honor among alternative lenders, such as FAHE. The awards recognize excellence among financial institutions that put communities first, and were established to spotlight how community-based finance increasingly supports a prosperous economy and stabilizes communities. (continued on page 2)



Liberty Place Recovery Center for Women is just one of the facilities financed through LIHTC and FAHE's equity fund.

In fact, FAHE and other Community Development Financial Institutions inspired the new Capital Magnet Fund, by demonstrating smart use and responsible lending practices when leveraging large investments successfully. Signed into law earlier this year as part of the Housing and Economic Recovery Act, the Capital Magnet Fund has the potential to bring hundreds of millions of dollars in new funding to stem the tide of fallout from predatory lending practices. Established firms, who demonstrate responsible lending practices, like FAHE, will be the key successfully deploying aid in local communities.



Families living in the **most distressed** areas of Central Appalachia earn as little as **40 cents for every \$1 earned** by the average American family.

The Wachovia NEXT Awards for Opportunity Finance is run and funded through the Opportunity Finance Network by The Wachovia Foundation and The John D. and Catherine T. MacArthur Foundation.



Community Focus is a quarterly newsletter for FAHE investors. For more information about our programs, services, or investment opportunities please contact Tom Seel at (859) 986-2321 or visit us on the web: <http://www.fahe.org>

