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City First Bank Finances its first Affordable Rental Housing Project in Falls Church, Virginia

City First Bank of DC, the only community development bank serving the Washington DC metro region, recently closed on a \$2.7 million transaction with the Falls Church Housing Corporation, FCHC. It is the first deal in Falls Church financed by City First. The deal signals the growing problem of inadequate affordable housing not just in low income communities in Washington, DC, but increasingly in suburban jurisdictions.

FCHC is a non profit, community based organization that is dedicated to preserving and creating affordable housing for low and moderate income and working class families in Falls Church. The organization promotes the economic and social diversity of Falls Church and helps to ensure that people who work in Falls Church can also afford to live there.

The City First financing allowed FCHC to acquire a commercial office building that will be transformed into 172 units of permanently affordable rental housing. The project, called City Center South, is a part of a large scale redevelopment of an 8 block, 22 acre parcel that will be developed as an “urban village” to include retail, offices, condominiums, rental housing, a chain grocery store, bowling alley and hotel.

This deal is complicated and like many community development finance deals, involves multiple layers and sources of financing. In addition to the City First

financing, the project will receive construction and permanent financing through the Virginia Housing Development Authority from a combination of tax exempt bonds and low income housing tax credits.

About City First Bank

City First Bank is the Washington region's only commercial bank focused solely on community development. Located on the historic U Street corridor with assets of \$125 million, the bank is a market leader in financing of start up and small disadvantaged companies, affordable housing development and financing for non profit organizations and community facilities. As a community development financial institution, (CDFI), the Bank provides a unique set of banking products and services designed to help people create new businesses, new jobs, schools, affordable housing and operate nonprofits that strengthen communities. Since its inception in 1998, it has financed more than 2,200 units of affordable housing, helped to create or retain nearly 3,300 permanent jobs, and provided more than \$127 million in New Market Tax Credits that have made possible important community projects like the redevelopment of the American Brewery in Baltimore as the statewide home to a large social service provider, Humanim; THEARC on Mississippi Avenue in SE Washington and the Atlas Performing Arts Center, on H Street NE.