



Capital Plus Financial received the largest of the bond guarantees issued under the fiscal year 2022 round

DALLAS, Oct. 6, 2022 /PRNewswire/ — Capital Plus Financial, a community development financial institution, certified B Corp and wholly owned subsidiary of Crossroads Impact Corp, announced that it will receive a \$125 million bond guarantee from the United States Treasury Department's CDFI Bond Guarantee Program, one of three guarantees totaling \$355 million that the Treasury agreed to issue under the fiscal year 2022 round of the program.

This is the first time Capital Plus Financial has been named a bond recipient of this highly selective and competitive program and will allow Capital Plus Financial the ability to better serve its borrowers by providing long-term, fixed-rate cost of debt capital. Capital Plus Financial is one of only five CDFIs nationwide selected, and the \$125 million bond issued on its behalf will be the largest of the year.

"The bond allocation will permit CPF to expand its work to assist qualified homebuyers, many of whom are first time homeowners, with the opportunity to own affordable homes that will help build generational wealth," said Thiru Vignarajah, CEO of Capital Plus Financial. "This important, mission-driven work is nothing new for CPF, which is committed to helping minority-owned small businesses and underrepresented populations have equal opportunities in the banking system."

"We are proud to be selected to be a part of the program, which allows us to enrich the communities we are a part of and fulfill the goals of the company," commented Eric Donnelly, CEO and director of Crossroads Impact Corp. "It further emphasizes the strong public-private partnership between the Treasury and the CDFI industry by arming CDFIs with long-dated, low-cost capital to continue to drive lending to those who need it most."

InBank, a new qualified issuer, will issue the bond via the CDFI to Financing Entity asset class. The bond allows CPF to expand its work and refinance existing debt in the portfolio, reducing the interest rate and duration risk of its existing portfolio.

"It takes a lot of risk off the table in these uncertain economic times," added Donnelly.

Established by the Small Business Jobs Act of 2010, the CDFI Bond Guarantee Program responds to a critical market need – capital to spur economic growth and jump start community revitalization. Under the program, qualified issuers (CDFIs or their designees) apply to the CDFI Fund for authorization to issue guaranteed bonds worth a minimum of \$100 million in total. The bonds provide CDFIs with access to substantial long-term, fixed-rate capital to reignite the economies of distressed communities.

The program enables CDFIs to execute large-scale projects, including the development of commercial real estate, housing units, charter schools, daycare or health care centers, and rural infrastructure projects, among other asset classes. A total of more than \$2.18 billion has been guaranteed since the inception of the CDFI Bond Guarantee Program, which provides long-term, fixed-rate capital for projects in low-income urban, rural and Native communities.



About Capital Plus Financial

Certified by the U.S. Treasury as a CDFI, Capital Plus Financial believes minority-owned small businesses and people of color are entitled to equal opportunities in the banking system and is committed to breaking down barriers in communities that have been disenfranchised, underserved, underbanked, and underfunded. Capital Plus is the wholly owned subsidiary of Crossroads Impact Corporation (OTCQX: CRSS), a holding company focused on investing in businesses that promote economic vitality and community development.

About Crossroads Impact Corp

Crossroads Impact Corp (OTCQX: CRSS) Crossroads Impact Corp's mission is to promote economic vitality through community development and equitable access to capital; harnessing the power for good to tackle systemic issues within underserved communities. Building on our history of serving minority individuals and small businesses through environmental and responsible social lending, we look to be the leader in providing innovative and sustainable lending solutions.

About the CDFI Fund

Since its creation in 1994, the CDFI Fund has awarded more than \$5.5 billion to CDFIs, community development organizations, and financial institutions through: the Bank Enterprise Award Program; the Capital Magnet Fund; the CDFI Rapid Response Program; the Community Development Financial Institutions Program, including the Healthy Food Financing Initiative; the Economic Mobility Corps; the Financial Education and Counseling Pilot Program; the Native American CDFI Assistance Program; and the Small Dollar Loan Program. In addition, the CDFI Fund has allocated \$66 billion in tax credit allocation authority to Community Development Entities through the New Markets Tax Credit Program and closed guaranteed bonds for more than \$2.1 billion through the CDFI Bond Guarantee Program.

For information, contact:

Andy Boian
Dovetail Solutions
303.868.0085 office
415.404.2539 cell
aboian@dovetailsolutions.com

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