Enterprise Community Loan Fund receives $5.5 million from Bank of America to finance energy efficiency retrofits

Creating jobs, reducing utility costs and carbon emissions for low-income communities

COLUMBIA, Md. – Enterprise Community Loan Fund announced it has received a $5.5 million low-cost loan and operating grant from Bank of America to expand its energy efficiency and retrofit financing program for affordable rental properties in several locations which may include Baltimore, Boston, Charlotte, N.C., Chicago, Los Angeles, New York, Philadelphia, San Francisco, Seattle and Washington, DC.

“Enterprise is grateful to Bank of America for supporting our efforts with $5.5 million in lending and grant capital. It will allow us to accelerate our green retrofit lending model for affordable housing across the country,” said Lori Chatman, president, Enterprise Community Loan Fund. “This financing includes favorable terms, and once combined with critical services, such as tenant education, the retrofits will produce healthier and more environmentally-sound properties. We’re proud to partner with Bank of America on this effort to improve the existing affordable housing stock.”

Enterprise Community Loan Fund is one of the Community Development Financial Institutions (CDFIs) selected to participate in Bank of America’s $55 million Energy Efficiency Finance Program announced last spring. The program will enable CDFIs to finance green retrofits and environmental initiatives in low-income communities, bringing to scale innovative, local programs, providing energy efficient retrofits and other improvements to buildings, contributing to local job creation and reducing overall energy usage. The program will reduce carbon emissions from residential and commercial buildings, which account for nearly 40 percent of all energy consumption in the United States. The loan will be repaid with the long-term cost savings realized by the reduction in utility costs.

“Older properties consume far more energy and typically have higher utility costs than newer buildings, but they make up the majority of our real estate inventory across the country,” said Bill Couper, Mid-Atlantic president, Bank of America. “We recognize Enterprise as an organization developing innovative solutions to address the barriers to green affordable housing. Without their expertise and know-how many property owners would be unable to finance important energy efficiency upgrades that will help save energy and money, as well as create jobs in low-income communities while reducing carbon emissions.”

Enterprise recognizes the many difficulties inherent in retrofitting multifamily affordable properties. For the past five years, Enterprise has been working on all sides of the issue from lending, developing protocols for comprehensive audits to engaging property managers and residents. Bank of America’s Energy Efficiency Finance program is hitting the market at a critical time. Funds will be available to advance much of the momentum and lessons learned around retrofits through the American Recovery and Reinvestment Act of 2009. Enterprise will be working with experienced, high-capacity affordable housing owners to retrofit properties and track the outcomes from this investment and grant support for the other components such as capacity building for the owners, resident engagement and verification and monitoring which are so vital to successfully realizing energy efficiency targets.

###

Enterprise is a leading provider of the development capital and expertise it takes to create decent, affordable homes and rebuild communities. For nearly 30 years, Enterprise has introduced neighborhood solutions through public-private partnerships with financial institutions, governments, community organizations and others that share our vision. Enterprise has raised and invested more than $11 billion in equity, grants and loans to help
build or preserve more than 280,000 affordable rental and for-sale homes to create vital communities. Visit www.enterprisecommunity.org and www.enterprisecommunity.com to learn more about Enterprise's efforts to build communities and opportunity.