



LIVING CITIES CATALYST FUND

CATALYST FUND PORTFOLIO

BORROWER:	Enterprise Cascadia
AMOUNT:	\$2MM loan
CLOSING DATE:	March 2010
LOAN TERM:	approximately 7 years

PROGRAM OVERVIEW: Enterprise Cascadia (EC) is a non-profit Community Development Financial Institution in Oregon and Washington that finances regional initiatives that create social, economic and environmental impact.

In early 2009, EC collaborated with the City of Portland and Energy Trust of Oregon to launch Clean Energy Works – Portland (CEWP). This program seeks to overcome the initial cost and information barriers to single-family home retrofit financing by providing homeowners with technical assistance, certified contractors and 100% retrofit loan financing at below-market rates. Loans will be repaid through an on-utility bill repayment mechanism. EC has structured a subsidized interest rate that is only available for low-income families. The program has also crafted a Community Workforce Agreement for participating energy efficiency retrofit contractors. After completing a small initial pilot, EC is expanding the program to 500 homeowners.

In November 2009, the Living Cities Catalyst Fund greenlighted a \$2MM general recourse loan to EC to support the expansion of this program in Portland and potentially Seattle. This loan closed in March 2010.

PROGRAMMATIC SIGNIFICANCE: The CEWP loan addresses a key Living Cities priority: making the green economy work for low-income people. The program has several benefits for low-income communities. It will be marketed to low-income participants and these participants will be offered a subsidized interest rate. The Community Workforce Agreement, negotiated with the help of Green For All, is one of the strongest to date. This Agreement requires contractors to offer family-supporting wages and benefits and hire historically under-represented people for the resulting energy efficiency jobs.

The program also has significant demonstration value and replication potential. It is one of the first programs in the nation to utilize the much discussed on-bill utility repayment mechanism. It is expected that this repayment mechanism, by linking loan repayments to utility bill payments, will simplify repayment for homeowners and potentially reduce repayment risks. This program is also being structured for secondary market take-out and is a potential leader in developing the much needed secondary market for energy efficiency transactions.

In October 2010, Enterprise Cascadia received a \$2.75MM Wachovia Wells Fargo NEXT Award for Opportunity Finance in recognition for this energy efficiency program.

ADDITIONAL FUNDERS:

- City of Portland - \$2.5MM grant
- Energy Trust of Oregon (amount to be determined on a loan-by-loan basis)
- Department of Energy's "Retrofit Ramp-Up" Award — \$20MM
- Wachovia Wells Fargo NEXT Award for Opportunity Finance — \$2.75MM

DESCRIPTION OF THE LOAN: The Catalyst Fund is providing a \$2MM general recourse loan to Enterprise Cascadia. This loan will be utilized to capitalize CEWP, to provide retrofit loans to single family homeowners.

LEVERAGE: \$2MM from the Catalyst Fund is leveraging at least \$25.25MM from other sources.