

NEIGHBORHOOD HOUSING SERVICES
COMMUNITY INVESTMENT CORPORATION PRESS CONFERENCE

Chicago, Illinois
July 7, 1998



- I. Thank you and welcome.
 - A. I'm truly honored to welcome you to today's important event.
 - B. The extension of CIC's \$500 million loan pool from the year 2000 to 2010 highlights the continuing broad-based commitment to improving Chicago's neighborhoods.

- II. I believe the most important and unique aspect of this commitment is the diversity of participants.
 - A. Chicago's financial institutions such as First Chicago NBD, Harris Bank, Bank of America, LaSalle National and many others have been at the forefront in revitalizing Chicago's neighborhoods.
 - B. Joining them in this endeavor are more than fifty other organizations such as Fannie Mae, Peoples Gas, and even the Methodist Church Pension Fund.
 - C. This exemplifies what the Fed has long advocated: the vibrancy of Chicago and its neighborhoods depends on all types of partnerships, those that bring many players and stakeholders to the table.
 - D. It's a pleasure to see that idea being translated into action today.

III. As you all know and CIC demonstrates, communities are more than just homeowners.

- A. “Home,” for many people, is a rental unit in an apartment building. But buying and rehabilitating multifamily housing presents enormous challenges to lenders and developers.
- B. Unlike the single-family mortgage, there is no “one size fits all” multifamily product with well-oiled, mechanized secondary markets ready to purchase these loans.
- C. And the condition of many multifamily properties can magnify the challenge.
 - 1. A deteriorated or abandoned apartment building creates an eyesore that affects the confidence of the entire neighborhood.
 - 2. This discourages other forms of investment and has a measurable, adverse effect on property appraisals.

IV. CIC staff and its partners have continuously met these challenges. They’ve stepped up to the plate and devised winning formulas that have rehabilitated over 20,000 units in neighborhoods as diverse as South Shore, Uptown, Austin, and Edgewater.

V. We’ve seen first-hand how CIC has improved Chicago’s neighborhoods and it’s truly exciting that CIC’s work will carry-on into the new millenium.

- A. This commitment breaks new ground and will reach neighborhoods where capital needs to flow. It’s a great example of what partnerships can accomplish.
- B. We congratulate CIC and its partners and thank you for everything you’ve done to make Chicago a better place for all of us to live.