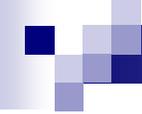


# How to Assemble an Investment Strategy Using Off-the-Shelf Options

Barbara Boone  
Alliance Bank of Arizona

# Investment Test

- The number and dollar amount of qualified investments.
- The responsiveness to the opportunities for qualified investments.
  - The results of any assessment of community development needs and opportunities provided by the institution;
  - Review of performance context information from community, government, civic, and other sources; and
  - Whether the amount qualified investments along with their qualitative aspects, are responsive to community needs and opportunities.



# Off-the Shelf Options

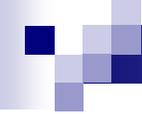
- Investments in Community Development Financial Institutions (CDFI) or Community Development Corporation (CDC)
- New Market Tax Credits (NMTC)
- Banker's Collaborative
- Work with a third party investment company



# Investments in Community Development Financial Institution

- Provide funding for a loan pool
  - EQ Investments
    - Non-interest bearing or
    - Interest bearing
- BEA (Bank Enterprise Award)

[www.cdfifund.gov](http://www.cdfifund.gov)



# New Market Tax Credits (NMTC)

The New Markets Tax Credit (NMTC) Program permits taxpayers to receive a credit against Federal income taxes for making qualified equity investments in designated Community Development Entities (CDEs).

[www.cdfifund.gov](http://www.cdfifund.gov)



# Banker's Collaborative

- Banks working together to develop an investment pool
- Create a larger impact by working together

# Arizona Community Reinvestment Collaborative

- Initial task force made of five banks
- Located Arizona Community Foundation as the Fiscal Agent
- Raised money for Preventive Foreclosure Task Force
- Kicked off fund raising on March 6, 2008
  - 10 banks interested
  - Goal is to raise \$100,000



# Third Party Investment Companies

- Calvert Foundation – Shari Barenbach
- Access Capital Strategies – David Sand
- CRA Funding – Larry Mondschein