

FOR IMMEDIATE RELEASE

PENNSYLVANIA HOUSING FINANCE AGENCY

211 North Front Street

Harrisburg, Pennsylvania 17101

Contact: Paula Brightbill or Phil Friday
717.780.3915

**COMMONWEALTH CORNERSTONE GROUP
RECEIVES \$60,000,000 OF NEW MARKETS TAX CREDITS**

Low income communities statewide to benefit from program investments.

(HARRISBURG) The Commonwealth Cornerstone Group, a nonprofit corporation created by the Pennsylvania Housing Finance Agency, has been allocated \$60,000,000 of New Markets Tax Credits by the United States Department of Treasury. This award, one of 70 nationwide, will be used to help low income communities across the Commonwealth. The Commonwealth Cornerstone Group was one of only two recipients in the Commonwealth to receive funding in this highly competitive program.

“New Markets Tax Credits will be a great benefit to low income neighborhoods,” said Brian A. Hudson, Executive Director and Chief Executive Officer of the Pennsylvania Housing Finance Agency. “Community investments, including debt and equity, will be able to be leveraged by the Commonwealth Cornerstone Group to fund projects that are ‘community cornerstone initiatives,’ expanding businesses, sponsoring for-sale housing, community facilities and mixed-use commercial and residential development in distressed communities,” he said.

“We are targeting 60 percent of the credits for use in major urban areas, with the remainder going to activity in smaller urban and rural areas, making it a truly statewide financing system. That’s good news for all of Pennsylvania,” Hudson said.

He said that the Commonwealth Cornerstone Group expects the funds to be available from the federal government beginning in the fall of 2008.

New Markets Tax Credits were authorized by Congress in 2000. The program allows individual and corporate taxpayers to receive credits against federal income taxes for making qualifying equity investments in “Community Development Entities” like the Commonwealth Cornerstone Group. Community Development Entities in turn use the taxpayers’ investment for improvements to low-income communities.

The Pennsylvania Housing Finance Agency is the Commonwealth’s leading provider of capital for affordable homes and apartments.