



DEPARTMENT OF THE TREASURY
COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND
601 THIRTEENTH STREET, NW, SUITE 200 SOUTH
WASHINGTON, DC 20005

DIRECTOR

March 14, 2011

Dear CDFI Partner,

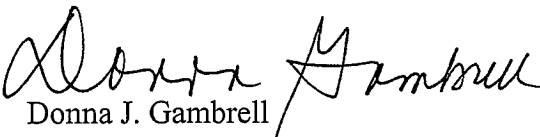
As you know, one of the biggest challenges facing small businesses, particularly those in underserved communities, continues to be access to credit. Last December, our partners at the U.S. Small Business Administration (SBA) announced an exciting step to address this problem with an initiative designed to put more loans in the hands of small business owners in underserved communities.

Under the new Community Advantage program, the SBA is opening its flagship 7(a) lending program for the first time to community-based, mission-focused lenders, including Community Development Financial Institutions (CDFIs), SBA Certified Development Companies, and nonprofit microlending intermediaries. Community Advantage is a powerful new tool for organizations like yours that play a crucial role in local economic development and have a strong track record of lending and providing counseling and technical assistance to borrowers in underserved communities.

With Community Advantage, you will be able to make loans of up to \$250,000 with an SBA guarantee of up to 75 or 85 percent, using streamlined "Advantage" paperwork. The SBA guarantee helps mitigate your risk, which, combined with quick turn-around times, will help you make more of the small-dollar loans that businesses need. The SBA is now accepting applications from CDFIs to participate in Community Advantage.

With a strong track record of reaching small firms, SBA loans are uniquely positioned to expand access to capital for promising small businesses and entrepreneurs in the communities you serve who continue to face challenges accessing the credit they need to start or grow their businesses. The CDFI Fund has worked closely with the SBA in developing this new initiative, and I hope you will consider adding Community Advantage lending to your loan portfolio through this exciting partnership. More details are available at www.sba.gov/advantage and from your local SBA office.

Sincerely,


Donna J. Gambrell