

San Francisco Housing Accelerator Fund secures \$100 million commitment from First Republic Bank to finance affordable housing

Major commitment from First Republic will help nonprofit lender preserve and produce more than 2000 affordable homes in San Francisco over the next 5 years.

February 26, 2020 (San Francisco, CA) – The San Francisco Housing Accelerator Fund (SFHAF) announced today a \$100 million commitment from First Republic Bank (NYSE:FRC) in the form of a revolving credit facility to support the preservation of affordable housing in San Francisco through SFHAF’s anti-displacement lending program.

A public-private partnership, SFHAF provides flexible loans to nonprofit community partners so they can compete with market-rate development corporations to purchase buildings for low-income residents vulnerable to displacement. With financial assistance from SFHAF, the nonprofits buy the buildings, complete extensive repair work, and operate them as permanently affordable housing.

First Republic’s investment brings SFHAF’s total lending pool to \$210 million. Of that amount, SFHAF has already committed more than \$130 million to its nonprofit development partners, including Mission Economic Development Agency (MEDA), Chinatown Community Development Center (CCDC) Tenderloin Neighborhood Development Corporation (TNDC), San Francisco Housing Development Corporation (SFHDC), and BRIDGE Housing.

“To address the continued rising costs of housing in San Francisco, we need more tools to both build more housing and preserve affordable housing we have,” said San Francisco Mayor London N. Breed. “The Housing Accelerator Fund is a great partner in helping us to secure more buildings through initiatives including our Small Sites Program, which keeps our residents stable in our neighborhoods. It’s critical that the private sector step up to help organizations like the Housing Accelerator Fund deliver on its important mission.”

Since its launch in 2017, SFHAF has funded 18 loans throughout the City, and its lending program has financed the preservation and production of more than 440 units of affordable housing. By leveraging First Republic’s \$100 million commitment, SFHAF expects to multiply that number fivefold. “First Republic Bank is taking a leadership role in addressing the affordable housing crisis in San Francisco,” said Rebecca Foster, CEO of SFHAF. “The \$100 million commitment is one of the largest SFHAF has ever received, and it demonstrates the bank’s focus on an issue of vital importance to the entire community. We encourage others to join us in ensuring San Francisco’s future is affordable for all.”

Foster estimates that with the \$100 million of low-cost debt her organization will preserve an additional 2000+ units of affordable housing over the next 5 years, creating permanently affordable homes for more than 3,000 residents in San Francisco.

“First Republic is pleased to be working with SFHAF, which has an excellent track record of financing affordable housing in San Francisco,” said Jim Herbert, Founder, Chairman and CEO of First Republic Bank. “Working with SFHAF is part of our larger commitment to support regional solutions to the affordable housing crisis and is consistent with our core value of strengthening our communities.”

Since 2011, First Republic has originated \$6 billion in low- to moderate-income community development loans and has helped develop 100,000 affordable rental units through low-income housing tax credit investments. The bank has also made 6,000 home mortgages through its Eagle Community program, which offers special interest rates and dedicated bankers to borrowers in underserved minority areas. In February, First Republic made a \$5 million commitment to the Partnership for the Bay’s Future to fund regional affordable solutions.

SFHAF has already closed one loan to MEDA using First Republic’s investment, transitioning six apartments in San Francisco’s Mission district to permanent affordability and protecting more than 15 low-income residents from displacement.

“We know what we’re doing works to keep our city’s communities vibrant and diverse, and our most vulnerable residents in stable homes, protected from displacement and homelessness. Powerful, impact-driven investments like First Republic’s enable us to scale, so that we can finance several thousand units of high-quality, permanently affordable housing every year,” Foster said.

About The San Francisco Housing Accelerator Fund

The San Francisco Housing Accelerator Fund is committed to the preservation and expansion of quality affordable housing for economically disadvantaged individuals and households. An innovative nonprofit public-private partnership, SFHAF works with the city of San Francisco, local foundations, private lending institutions, and corporations to provide powerful new financing tools to ensure that San Francisco remains vibrant, equitable, and inclusive for all. Visit us at www.sfhaf.org.

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About First Republic Bank

Founded in 1985, First Republic and its subsidiaries offer private banking, private business banking and private wealth management, including investment, trust and brokerage services. First Republic specializes in delivering exceptional, relationship-based service and offers a complete line of products, including

residential, commercial and personal loans, deposit services, and wealth management. Services are offered through preferred banking or wealth management offices primarily in San Francisco, Palo Alto, Los Angeles, Santa Barbara, Newport Beach and San Diego, California; Portland, Oregon; Boston, Massachusetts; Palm Beach, Florida; Greenwich, Connecticut; New York, New York; and Jackson, Wyoming. First Republic is a constituent of the S&P 500 Index and KBW Nasdaq Bank Index. For more information, visit firstrepublic.com.

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