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## **CITY NATIONAL BANK CREATES HOUSING FOUNDATION TO PROVIDE HOME OWNERSHIP FOR LOW-TO-MODERATE INCOME FAMILIES**

*Bank donating \$1 million to launch the new not-for-profit organization*

MIAMI, FL – (October 23, 2018) – City National Bank (CNB), Florida’s Big Bank Alternative, announced the creation of the CNB Housing Foundation to help create housing inventory for low-to-moderate income families and individuals.

The bank has committed to seed the Foundation with a \$1 million contribution. The Foundation will focus on helping low-to-moderate income buyers (LMI) overcome hurdles they face in the home buying process. LMI families have limited options because of a lack of inventory they can afford. The problem is made worse by competition from investors and cash buyers who swoop in and purchase properties, often to be flipped.

S. Marshall Martin, City National Bank’s General Counsel and President of the CNB Housing Foundation, notes sellers will typically choose a quick and risk-free sale to a cash buyer rather than wait for the lengthy time periods necessary for LMI families to secure subsidies and financing.

That’s where the CNB Housing Foundation comes in. It will purchase homes from sellers, hold the properties temporarily, and sell them at the same cost to the LMI buyers, allowing them the time and necessary flexibility to secure financing and work through the processes to obtain subsidies or other issues. The Foundation will work with any LMI buyers, including those seeking financing from other financial institutions, and neither the Foundation nor the bank will make a profit from the sale of real estate. The sole purpose of the Foundation is to assist the community and promote home ownership by LMI buyers.

Michele Collie, CNB’s Community Development Banker and Isabel Lacambra, CNB’s CRA Director, have joined the Foundation as officers. They will help make potential homeowners aware of this valuable resource and help them navigate the complexities of becoming a homeowner.

“The CNB Housing Foundation will help level the playing field between cash buyers and low-income families,” President and CEO Jorge Gonzalez said. “Too often in our community we see a lack of access to affordable housing because these families are at a significant disadvantage in the marketplace. Our goal is to help them overcome these hurdles and achieve the dream of home ownership.”

The Foundation will also partner with not-for-profit housing agencies to create affordable inventory.

“We believe this Foundation is the first of its kind,” Martin said. “If it works the way we envision it will, we hope to increase its reach and make additional investments in order to expand affordable housing inventory, and we will seek support from other companies and agencies in our community.”

The Foundation recently assisted two buyers, including a single mother who faced losing an opportunity to buy a home because of a pending foreclosure, and another single mother dealing with a seller that grew impatient while she faced challenges and delays in obtaining county subsidies.

Marie Ange Pierre, a single mother with three adult children and two grandchildren, had spent months lining up down payment assistance and had qualified for a CitySmart Mortgage for LMI individuals from City National Bank. While waiting for final county approvals for the subsidies and down payment assistance, she was alerted that the home she wanted to purchase was about to be sold at a foreclosure auction.

“The CNB Housing Foundation acquired the judgement from the creditor and stopped the foreclosure auction in an emergency hearing. This gave Ms. Pierre the time she needed to fulfill county requirements to receive subsidies,” Martin said. “Fortunately, we were able to help her realize her dream of home ownership, but too many LMI buyers can’t overcome the hurdles they face and give up, frustrated because they face serious disadvantages.”

In the Foundation’s second effort, Martin and Collie worked with the real estate agent and seller of a home to make arrangements for the Foundation to acquire the property to assist a single mother who was about to lose her deposit for the second time on a home purchase due to delays in closing associated with LMI transactions. The Foundation recently entered into a contract with her with plans to close by the end of the year.

“This transaction was extremely meaningful, as the buyer was disillusioned and in despair about ever being able to own a home,” Collie said. “Her tenacity resonated with us and we were happy to be able to help her. She was approved for down payment assistance from Broward County and was able to pay off debts that impacted her credit. We are working toward helping her become a homeowner very shortly!”

Purchasers who are pre-approved and have completed first time homebuyer training, regardless of which financial institution has provided the pre-approval, are eligible to buy a home with help from the Foundation.

“We know that there is a tremendous need to provide housing options for LMI families whose financial resources are limited, and we want to start a cycle of investments that will create more housing opportunity,” Gonzalez added.

City National Bank has long been recognized for its commitment to the community. Its efforts have been recognized by the Office of the Comptroller of the Currency with an “outstanding” rating for its Community Reinvestment Act (CRA) performance for 15 consecutive years.

“Home ownership creates roots in our community, builds wealth, improves the standard of living and develops self-worth,” Martin said. “It is a testament to City National Bank that it is embracing this innovative idea. This will leave a lasting mark on the community, not a short-term fix but a long-term investment that will have a positive impact for decades to come.”

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### **About City National Bank of Florida**

Headquartered in Miami, City National Bank (CNB) is the financial institution to which Floridians have turned for more than 70 years. With more than \$14 billion in assets, CNB is one of the largest financial institutions based in the state. City National Bank is a subsidiary of Chilean bank, Banco de Credito e Inversiones (Bci), and remains a South Florida-based community bank with local decision-making. City National Bank is rated 5 stars "Superior" by BauerFinancial. CNB was voted Best Community Bank, Best Business Bank, Best Bank for Commercial Real Estate, Best Bank for Jumbo Loans, Best Private Bank and Best Foreign National Mortgage Lender by the readers of the Daily Business Review. CNB offers a diversified portfolio of financial products and services from Miami-Dade County to Central Florida.