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What is CRF?

Community Reinvestment Fund, USA is **a nonprofit organization** that works to provide capital to low- to moderate-income communities across the United States. **CRF pioneered techniques that bring the resources of Wall Street to meet the needs of Main Street.** It does so primarily by operating what is known as a secondary market for economic development loans, as well as loans for affordable housing and community facilities.

A secondary market is a financial system by which the right to collect repayments is sold from one group to another. The most familiar example of this is the secondary market for home mortgages. Fannie Mae, Freddie Mac and other groups buy mortgages from lenders shortly after the loans are made. By so doing, they allow the lender to collect virtually all of the repayment owed right away, instead of waiting years for repayment. That allows the lender to offer more loans to others who wish to buy homes.

A nutritional supplement manufacturer in Montana got critical funding because the local nonprofit lender was able to tap into CRF's resources. The plant was constructed in a part of town in need of economic stimulation.

The same benefit applies to lenders working in low- to moderate-income communities whose purpose is to spur economic development, provide affordable housing or enhance community facilities. These lenders are typically [nonprofit organizations](#), [CDFIs](#) or [government agencies](#) that exist to meet the needs of borrowers who cannot get all the financing they need from traditional sources.

Community-development lenders often find that they are lacking capital to meet the needs of their borrowers, either because overall demand is great or a particular project exceeds their ability to finance it. Most of these lenders rely on grants, usually from government sources, to fund their loan programs. But grants often take a long time to receive, and lenders sometimes find that grants are not available to fund loans for specific projects. **CRF helps lenders overcome these obstacles by providing capital quickly and with minimal restrictions.**

CRF is not a government agency.