



# Capitalizing Change: Stories of Impact and Partnerships

2023 Impact Report



# LETTER FROM THE CEO

**As we look back on our journey in 2023, it's clear that it was a transformative year for CFE. Despite navigating a challenging macroeconomic landscape, our portfolio continued its upward trajectory across various sectors and regions.**

The recent pandemic exposed systemic cracks in our country's economic model and accelerated a shift in public attitudes on social inequality. Across business



## Oswaldo Acosta

President and CEO

Photo courtesy of Tina Leu Fotos

vibrant economy. We're seeing a more intentional approach from lenders, investors, government, and civic leaders toward uplifting those left behind by generations of discrimination.

On a personal note, I'm privileged to witness this transformation every day from my front-row seat as an immigrant leading a diverse team that is driving change within the communities we come from.



# IMPACT IN ACTION

**City First Enterprises is a community  
development financial institution  
specializing in flexible lending for affordable**



homeownership. With a mission to create equitable financial solutions to support people and communities in achieving their economic aspirations, we envision a future where all people and communities transform their futures through equitable access to capital.

## From Hobby to Business: The Inspiring Journey of Meats and Foods



**culinary talents to serving the residents of Washington, DC, in restaurants across the city. Capitalizing on their years of experience, they embarked on a journey to transform their passion into a thriving business.**

In 2011, Ana and Scott began experimenting from the comfort of their apartment kitchen, crafting fresh sausages for friends and neighbors. What started as a hobby soon blossomed into a full-fledged business venture named Meats and Foods. By 2012, they were securing commercial kitchen space and attracting wholesale customers.

As Meats and Foods gained momentum, the couple set their sights on expanding to a storefront location in Northwest DC. In August 2014, Ana and Scott proudly opened the doors of Meats and Foods to the community.

At the heart of Meats and Foods lies a simple yet powerful mission: to provide the neighborhood with reasonably priced, freshly prepared dishes made from scratch daily, free from processed foods or preservatives. With a steadfast commitment to quality and customer experience, Ana and Scott have cultivated strong ties within the community, forging lasting relationships with patrons who appreciate their dedication to excellence.



– Caleb Spencer, Loan Officer

**\$23 million**

in passthrough grants managed on behalf of the District government

**\$5 million**



Like many other businesses, Ana and Scott faced their own set of challenges. They felt the impact of the pandemic and its associated closures. They were also faced with obstructed access to their restaurant as a DC Water construction site blocked their entrance, creating a barrier for customers to get around and reducing their storefront visibility for several years. Despite the challenges they faced, Ana and Scott persevered and remained successful.

Nearly a decade after opening their storefront, the team of two sought to purchase the location they'd been renting. However, they soon realized their vision required more than culinary expertise; it necessitated financial investment. With financing from CFE, bolstered by Nourish DC's support, and supplemented by a grant from the Commercial Property Acquisition Fund (distributed by CFE in collaboration with the Deputy Mayor's Office for Planning and Economic Development), Ana and Scott successfully secured the necessary funding to realize their vision.

Their journey exemplifies their resilience and the transformative power of community support and access to financial resources. By supporting individuals like Ana and Scott, CFE continues championing economic empowerment and equity within underserved communities. Meats and Foods is



that inspire us to realize the profound impact of passion, perseverance, and support in turning goals into tangible achievements.

## Partnering to Break Down Barriers to Housing Access

**In order for individuals and communities to be able to achieve their economic aspirations, affordable and accessible housing is essential. We recognize the profound impact that affordable housing has on fostering financial stability and opportunity. However, we also recognize that achieving this goal requires collaborative efforts.**



– Arisa Koyama,  
Director of  
Impact &  
Development





The Tenant Opportunity to Purchase Act requires an owner who wants to sell their rental property to give tenants an opportunity to purchase the property and a right of first refusal to match a third-party contract. This act ensures that tenants know about their owners' intent to sell in advance and have an opportunity to preserve their affordable housing within the District.

Our TOPA Earnest Money Deposit program represents a significant step towards breaking down barriers to housing access. This program addresses the initial hurdle TAs encounter—the Earnest Money Deposit (EMD)—which often poses a significant financial challenge. By offering a solution with a unique success fee model designed to mitigate risks for TAs, we've empowered them to pursue their rights confidently.

Since its inception, the TOPA EMD Loan Program has significantly impacted tenants and communities throughout the District of Columbia, providing vital funding to over 30 Tenant Associations across all eight wards. Together, we have deployed over \$6 million. Through our work with NHT we foster transactions and empower residents to become invested in their neighborhoods. This strategic collaboration harnesses the power of partnership to drive substantial, purposeful change.

financed throughout life of partnership

**1,800+**

housing beneficiaries impacted through the partnership



– Amy Lieber, Lending Initiatives Manager, NHT

## Savoring Success: The Flavorful Rise of The Peruvian Brothers

**Back in 2012, Giuseppe and Mario Lanzone decided to call their new food truck “Peruvian Brothers” because their dream was to share the food they missed from childhood growing up on a beach in Peru. The idea had come to them during a family reunion.**

“My brother had come back from being a ship’s captain, and I was back from my second Olympics,” says Giuseppe, who still feels very honored to have been on the US rowing team in Beijing and London. “We said, let’s throw together a bar or restaurant. My



– Jonathan Reyes, Chief



They started by selling sandwiches and hot sauce from a single truck, but their small beginning grew fast. They added a second truck and a third. Soon, they were catering weddings, business events, and government functions. Even the White House has welcomed the Peruvian Brothers!

## \$2.8 million

in annual revenue for small businesses represented in CFE deals

## 30%

of capital deployed to Latino-owned business

While the pandemic brought challenges, the brothers kept their sights set on opportunity. "There was a beautiful park where my wife and I used to walk around and try to have an hour of fun a day outside our home," Giuseppe recalls. They quickly decided to open a stand there, in Water Park at National Landing.

As a popular presence in the National Landing neighborhood, Peruvian Brothers soon got noticed by an important new neighbor. "Amazon came around and said, we're putting in a huge infrastructure here. Do you want a space at the bottom?," marvels



Amazon together is something we never thought was possible.”

Planning their first full-service restaurant was a heavy lift, but everything was going well – until a year into the process when their construction costs skyrocketed with inflation. The brothers tapped their network for ideas, and that’s when they heard about CFE.

CFE saw the strength of the brothers’ partnership – and thanks to our own partnerships, we were able to make the numbers work for an affordable loan. The Virginia Small Business Financing Authority provided a 50% loan guarantee to match the collateral that Peruvian Brothers brought to the table. It’s a great example of how deeply CFE values entrepreneurship - - in terms of who we work with as clients, and in our own nimble approach to analyzing the business case and assembling a team of partners to put capital in the hands of people like Giuseppe and Mario.

Peruvian Brothers officially opened at Amazon HQ2 in October 2023, and it’s been a tremendous success. Still, the brothers feel like they’re just getting started on their dream. “We’re gonna keep growing and growing,” Giuseppe promises. “We’ll make sure that everybody in the DMV area, everybody in the US, everybody in the world knows what Peruvian food is all about!”



## Sustainable Future

Since 2020, we have partnered with local green banks to expand access to clean energy solutions in our region. What began as loan servicing support has since evolved into dedicated co-lending programs to support businesses and organizations seeking to invest in energy efficiency and renewables upgrades.

In our latest transaction through these partnerships, we joined forces with the DC Green Bank (DCGB) to finance a 125-kW tranche of rooftop solar system installations across DC and Maryland, underscoring our shared commitment to providing sustainable energy solutions to communities in our region.

This rooftop solar panel project, led by solar energy developer Copernican LLC, brings sustainable energy to nine low-income households. It's also the second time CFE and DCGB have partnered with Copernican, demonstrating our ongoing dedication to working with mission-driven developers in the region. Projects like this work directly towards the Justice40 Initiative to confront and address decades of underinvestment in disadvantaged communities, bringing resources to communities most impacted by climate change, energy cost burdens, and environmental hazards.



– Sydney Schoeler, Loan Officer

## \$20 million+

in financing supported via partnership



combined with CFE's extensive infrastructure and deep understanding of community finance, have been instrumental in making this project successful. Our joint effort goes beyond merely providing capital to a clean energy project; it's about strategically deploying resources where they can make the most significant difference.

The benefits of these solar panels to residents are multifaceted. Not only do they result in emissions reductions, but because these residents won't be paying Copernican for the energy generated from the solar arrays, they also benefit from free energy. This allows households to contribute to combating greenhouse gas emissions and reducing air pollution while experiencing cost savings from these installations. This partnership showcases how we can align our financial resources with a collective commitment to environmental stewardship and community well-being.

# 20+

clean energy deals supported via partnership



## Empowering Communities, One Home at a Time

Last year, CFE's subsidiary City First Homes, operating under Homes by CFE (HBCFE), launched a new mortgage lending program as a Special Purpose Credit Program (SPCP) to assist low- to-moderate income African American/Black and Hispanic/Latino households in the DC and Baltimore metro areas.



– Lisa Williams,  
Director of  
Mortgage  
Programs,  
CFE/HBCFE

# 100%

Black and Latino first-time homebuyers supported



of generational inequality, opening a pathway towards stability and prosperity, and for some, an opportunity to remain in their communities instead of being priced out.

The DPA program offers a second trust mortgage, covering up to 20% of the purchase price or a maximum of \$100,000 towards down payments. This alleviates the financial burden on participants, eliminates the need for mortgage insurance, and reduces upfront down payment and closing costs.

# \$850,000

Deployed in down payment assistance

During its pilot last year, the DPA program supported 13 borrowers in DC and MD. Despite initial demand exceeding available funds, by the year's end, HBCFE secured a substantial \$3 million contribution from JPMorgan Chase, highlighting the critical role of our funding partners in sustaining and scaling such innovative initiatives.

With this support, HBCFE can continue offering second mortgages and engaging borrowers through programming that supports their homeownership





from the Yale Law School Community & Economic Development clinic helping design the SPCP to referrals from home counseling organizations like Manna. And, of course, as a second-trust mortgage lender, our first-trust lending partnerships have been pivotal in facilitating the program's expansion.

While HBCFE has played a role in our borrowers' journeys, the real spotlight is their resilience and determination. These individuals have seized the opportunity to secure homes and build brighter futures for themselves and their families. As we celebrate their success, we continue to renew our commitment to empowering individuals and communities, ensuring that homeownership remains a tangible reality.

# GROWTH & IMPACT





# OUR PATH FORWARD

As we look ahead to 2024 and beyond, we know we'll have more stories of impact and partnership to share as we continue pursuing our purpose of 'Capitalizing Change.' We hope you'll explore our [2024-2026 Strategic Plan](#) and join us as we seek to scale our growth and amplify the impact we create together.



# CONNECT WITH US

Contact [partnerships@cfenterprises.org](mailto:partnerships@cfenterprises.org) to learn more



[www.cfenterprises.org](http://www.cfenterprises.org)

[www.homesbycfe.org](http://www.homesbycfe.org)

## City First Enterprises Board of Directors

**On behalf of our entire organization, we extend our sincerest thanks to each of our esteemed board of directors.**

Oswaldo Acosta

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