**CDFIs Band Together to Help Veterans Open Grocery Stores Across Six States**

August 22, 2017—Honor Capital, a veteran-owned small business, will double its size by the end of 2017 thanks to an innovative multi-million-dollar financing package provided by a partnership of three Community Development Financial Institutions (CDFIs), Enterprise Community Partners (Enterprise), IFF and Reinvestment Fund.

By the end of the year [Honor Capital](http://www.honorcapitalllc.com/) will operate 10 grocery stores under the Save-A-Lot banner, each located in a “food desert,” an area that lacks access to fresh, affordable foods. Together these stores, located in both urban and rural areas, will provide much-needed food options for nearly 40,000 low-income households annually and create more than 270 permanent jobs.

Enterprise, IFF and Reinvestment Fund are collaborating to finance this expansion, which continues Honor Capital’s growth from just one store in 2015. The funds will provide critical growth capital to support Honor Capital’s expansion. The company will soon operate in six states including Georgia, Kansas, North Carolina, Oklahoma, South Carolina and Virginia.

“As recently as two years ago, we could not access the capital we needed to start our business and open our first store—conventional lenders wouldn’t even return our calls,” said Marcus Scarborough, vice president for community engagement and marketing at Honor Capital. “Fortunately, we ran into community development financial institutions, who saw the tremendous community impact each one of our stores can have. They believed in our model and were willing to work with us to finance our stores. Now we’re doing a multi-million-dollar deal with three CDFIs.”

The financing uses both loans and New Markets Tax Credits (NMTC), which stimulate investment in low-income communities. Enterprise and JPMorgan Chase are providing $8.8 million in NMTC allocations for the project. Chase is also serving as the tax credit investor in the project. Reinvestment Fund, Enterprise Community Loan Fund and IFF are providing $5.9 million in leverage loans to support the transaction.

“We are excited to draw on both our Loan Fund and our New Markets Tax Credits to fuel the growth of Honor Capital and create new jobs in multiple communities,” said Lori Chatman, president, Enterprise Community Loan Fund. “Honor Capital’s focus on lower-income areas will increase opportunities for residents and employees alike.”

“Our experience has shown the tremendous economic value that grocery stores can create in low-income neighborhoods,” said Don Hinkle-Brown, CEO of Reinvestment Fund. “It was an easy decision for us to get behind Honor Capital’s pioneering veteran entrepreneurship model and its commitment to bringing affordable healthy food and jobs to communities in need.”

All of Honor Capital’s stores are in USDA-designated low-income low access areas. Every week, each of its current stores serves an estimated 4,000 customers, who purchase about 16,000 pounds of fresh meat and produce.

“Every person has the right to access fresh food – that core value is where IFF and Honor Capital are so well aligned,” said Joe Neri, IFF’s CEO. “We know that grocery stores are one of the fundamental building blocks – along with quality, affordable housing, health care, and education – for communities to thrive. Honor Capital called them ‘honor villages.’ IFF is honored to contribute to that ideal.”

Honor Capital was founded in 2014 by a group of post-9/11 veterans with a duel mission of supporting veteran entrepreneurship and improving access to healthy food in underserved communities. Their strategy involves opening stores in geographic clusters and building a sustainable portfolio of stores. They are also committed to growing their model by bringing in new veterans who want to be entrepreneurs and providing a pathway to store ownership.

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**About Enterprise:** Enterprise is a proven and powerful nonprofit that improves communities and people’s lives by making well-designed homes affordable. We bring together the nationwide know-how, partners, policy leadership and investments to multiply the impact of local affordable housing development. Over 35 years, Enterprise has created nearly 470,000 homes, invested $28.9 billion and touched millions of lives. Join us at [www.EnterpriseCommunity.org](http://www.EnterpriseCommunity.org).

**About Reinvestment Fund:** Reinvestment Fund is a catalyst for change in low-income communities. The organization integrates data, policy and strategic investments to improve the quality of life in low-income neighborhoods. Using analytical and financial tools, Reinvestment Fund brings high-quality grocery stores, affordable housing, schools and health centers to the communities that need better access—creating anchors that attract investment over the long term and help families lead healthier, more productive lives. Learn more at [reinvestment.com](https://www.reinvestment.com).

**About IFF:** [IFF](https://na01.safelinks.protection.outlook.com/?url=http%3A%2F%2Fwww.iff.org%2F&data=02%7C01%7CKavita.Vijayan%40reinvestment.com%7Ca29b3217ad324ba86a3808d4dda73508%7C47f011eed7a14389b159044c5a37fede%7C0%7C0%7C636377157601655678&sdata=Fx8DxgB0xx%2BPk4OjGRSCiLL3RdCV8%2BgIFXjI1%2B8g%2BeY%3D&reserved=0) is a mission-driven lender, real estate consultant, and developer that helps communities thrive by creating opportunities for low-income populations and individuals with disabilities. From child care to senior housing, IFF works closely with clients from every sector, offering affordable, flexible financing; full-scale real estate consulting; and community development services. Since 1988, we have made more than $700 million in loans and leveraged $2.3 billion in community investments.