

Exhibit A

Uses for New Sources of Capital from Kilbourn Tower Settlement

Recognizing the tremendous need, the Neighborhood Improvement Development Corporation ("NIDC") is planning to introduce new loan products that will serve a large pool of clients not living in a targeted area as well as clients not eligible for Federal funds. These loans will help homeowners who would otherwise do without, or might refinance with a predatory lender. They also would be used to support catalytic neighborhood redevelopment projects.

NIDC is proposing to supplement the Kilbourn Tower Settlement Funds by using it to leverage additional loan funds from private lenders. NIDC Kilbourn Tower Settlement Funds would be used as participation in a loan pool and/or as default reserves. The goal would be to increase the amount of available loan capital and create a revolving revenue source that would serve as an additional and continuing loan resource for City neighborhoods. The loan pool would be administered by NIDC and used for the following purposes:

Emergency Loan Fund

Loans will be available for emergency and urgent repairs for low-income homeowners throughout the City. Eligible work items would include roofing, plumbing, heating and electrical repairs. Loans would be repayable and structured to be affordable, with payment and terms based on income. Generally, loan amounts would generally be in the range of \$1,500 - \$7,500.

TIN Activity

Loans would be utilized to supplement NIDC's federally funded loan activities in the TIN's for clients who were not eligible for assistance. Federal funds often lack flexibility and have requirements that can often limit the ability of NIDC to effectively address the needs of its clients and neighborhoods.

Loans would be available for TIN clients who cannot be served by Federal HOME funds (because of income or rehabilitation needs). Loans would be repayable, and structured to be affordable with payment and terms based on income. Generally, loan amounts would be in the range of \$10,000 - \$20,000.

Catalytic Project Loan Activity

As Federal funding has declined, nearly all of NIDC's current activity is limited to targeted areas.

In some instances, a significant catalytic development project may be undertaken in neighborhood which could be supported by the redevelopment/rehabilitation of a limited number of properties in the area immediately surrounding the development. While the strategy would not reach the size or level of commitment of a TIN, selected redevelopment efforts could be extremely beneficial to the catalytic investment.

Loans would be available to address problem properties in areas nearby a catalytic neighborhood project to support the new development. Loans would be repayable, with the priority that the exterior of the property be addressed so as to benefit adjacent development and the neighborhood.