



# OFFICE OF ILLINOIS STATE TREASURER

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## **Treasurer Frerichs Announces \$500 Million Investment to Boost Economy in Rural Illinois**

### *New Loan Program to Revitalize, Grow Communities*

**MOLINE** – Illinois State Treasurer Michael Frerichs today announced a comprehensive loan program that commits \$500 million in new money to flow through local banking institutions to help individuals obtain loans at below-market rates.

“I was born and raised in the small community of Gifford and know first-hand the importance of providing a financial opportunity for rural Illinois to sustain, grow, and spur economic development,” Frerichs said. “We will provide money to local lenders so they can offer loans at below-market rates to help our rural families achieve the American Dream.”

Frerichs was at the Rock Island County Farm Bureau in Moline today to introduce the program to the Quad Cities area. Joining him was the Illinois REALTORS President, Matt Difanis, and officials from local lending institutions, including Blackhawk Bank and Trust and First Savanna Savings Bank.

As Illinois treasurer, Frerichs is the state’s chief investment officer. A key objective in Frerichs’ office is to invest money in a manner that supports community development while meeting its primary investment objectives of safety, liquidity and return on investment.

The \$500 million will fund the newly developed Community Uplift Program. It will provide money to lending institutions specifically to fund business growth or expansion. The capitalization also will support the already popular Ag Invest program that helps family farmers and the Finally Home program that supports those who might not qualify for a traditional mortgage product. Finally Home can be used for first-time homebuyers.

The Community Uplift, Ag Invest and Finally Home programs fall under Frerichs’ new Invest in Rural Illinois initiative that aims to raise awareness in the lending community of the state treasurer’s responsibility to capitalize lending institutions at below-market rates. These institutions, in turn, use the money to provide loans to local businesses and individuals. In Illinois,

there are more than 300 lending institutions pre-qualified to participate. By growing this number, Frerichs said, more assistance can be provided to rural Illinois.

“Our rural neighbors know the honor that comes with helping families who want to help themselves,” Frerichs said. “Encouraging local banks and lending institutions to participate in these lending programs will help strengthen rural Illinois.”

For more information, visit [www.InvestinRuralIllinois.com](http://www.InvestinRuralIllinois.com).

### **About the Community Uplift Program**

The Community Uplift Program (CUP) is designed to support communities that struggle with unemployment, poverty and business closings. These communities need private-sector investment to stimulate business growth, job creation and neighborhood revitalization. CUP provides capital to lending institutions at below-market rates so they can increase lending activities, fund local development efforts, and assist local communities and their residents.

### **About Ag Invest**

For more than 35 years, the treasurer’s office has partnered with lending institutions to provide below-market loans to start, expand or add value to family farming operations. Ag Invest has provided more than \$1 billion in annual and long-term loans. The agriculture industry in Illinois supports one in 17 workers.

### **About Finally Home**

The waves of the 2008 recession continue to impact Illinois residents. Finally Home is a program to help individuals purchase a home or help refinance in cases of hardship. Qualified applicants typically have marginal credit scores. The program also helps to stabilize neighborhoods through increased home ownership.

### **About the Illinois Treasurer**

The Illinois Treasurer is the state’s chief investment officer and Frerichs is a Certified Public Finance Officer. He protects consumers by encouraging savings plans for college or trade school, increasing financial education among all ages, and removing barriers to a secure retirement. As the state’s Chief Investment Officer, he actively manages approximately \$25 billion. The portfolio includes \$13 billion in state funds, \$7 billion in college savings plans and \$5 billion on behalf of local and state governments. The investment approach is cautious to ensure the preservation of capital and returns \$28 to the state for every \$1 spent in operations. The Treasurer’s Office predates Illinois incorporation in 1818. Voters in 1848 chose to make it an elected office.

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