

Immediate Release
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NACA'S AND FIRST UNION'S NEW LENDING INITIATIVE

The Neighborhood Assistance Corporation of America ("NACA") and First Union Corporation have agreed to a major neighborhood stabilization program.

The agreement will provide up to \$150 million for a special mortgage program to be administered by NACA for low and moderate income communities. Thus in South Carolina, Augusta Georgia, and Atlanta working people will be able to purchase a home with no down payment, no closing costs and liberal underwriting. The program also provides current home owners with refinancing to renovate their home. As the program develops, it will expand to other communities. "This agreement will provide over 2,000 families with the opportunity to own a piece of their community" states Bruce Marks NACA Executive Director. Barbara Massa, First Union Senior Vice President for Community Reinvestment states, "We look forward to extending our reach in communities that we have targeted for economic development and home ownership, and building upon our program of reinvestment in low-income neighborhoods."

This program will begin this summer providing mortgage lending that stabilizes low and moderate income communities.