

# 50 Projects – 50 States: District of Columbia

## International House of Pancakes (IHOP) Washington, DC

Most lenders shy away from start up businesses and restaurant start ups are even more risky. But City First Bank of DC specializes in lending to small companies, many needing to borrow less than \$1 million. One of the projects it financed using the proceeds of capital raised through the New Markets Tax Credit (NMTC) program was a new International House of Pancakes (IHOP) in Washington, DC.

The owners, the Jackson family, have long ties to the Congress Heights community of SE Washington. It is one of the most economically challenged in Washington with a 28 percent poverty rate and the median income is 64 percent lower than the region. The Jacksons wanted to make their community livable by investing in the IHOP that is the only one in D.C. and the only sit down restaurant in this low-income community. The CDE, CF Bank Corporation used its NMTC allocation to provide a \$2.05 million below market loan to finance 100% of this project.

City First is committed to building assets in low wealth communities. The loan to the Jackson family financed the 4,900 square foot building that seats 198 customers and employs 61 local residents. The IHOP is a bustling vibrant retail business in a newly expanded shopping center that has provided a vast array of vital consumer services to low income families including a bank, grocery store and other retailers. Through the NMTC program, the IHOP received affordable financing that allows the start up business to grow and enjoy lower operating costs during its most difficult period as it becomes seasoned and gains financial strength.

The IHOP is part of the Shops at Park Village Shopping Center, another NMTC financed project in southeast DC. This shopping center is noteworthy in that not only is the IHOP located there, but also the first new supermarket to open in the area in over a decade.(see project profile on previous page) The site is on a vacant former army base (Camp Simms).

### *NMTC Allocatee*

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Washington, DC  
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### *Community Profile*

- 28% poverty rate
- Median income 64% of area median income



### *Project Highlights*

- Real Estate: Restaurant
- Total Project Cost: \$2.05 million
- NMTC: \$2.05 million
- Investor: Wachovia Bank
- Jobs: 60-70 construction , 61 new