

REMARKS BY  
MICHAEL D. LAPPIN, PRESIDENT  
THE COMMUNITY PRESERVATION CORPORATION  
AT FEDERAL RESERVE BANK OF NEW YORK PUBLIC MEETING  
REGARDING TRAVELERS GROUP, INC. AND CITICORP  
JUNE 25, 1998

Thank you for this opportunity to speak before the Federal Reserve regarding Citibank's support of The Community Preservation Corporation.

CPC is an affordable housing lending consortium that operates throughout New York State and will shortly open office to serve New Jersey. Our mission is to provide financing to help preserve low and moderate income communities. CPC is one of the largest affordable housing lenders in the country, having to date invested over \$1.8 billion for the rehabilitation, development and preservation of almost 62,000 housing units.

Citibank is one of our founding banks, dating back to 1974 when our first credit agreements were signed. Since then, Citibank has been unwavering in its commitment to CPC. It has had a director and mortgage officer sit on our Board and our Mortgage Committee since inception. Currently, Pam Flaherty serves on our Board, our audit committee, and our strategic planning committee.

Bernice Giscombe serves on our New York City mortgage committee. Both are highly valued participants in CPC, and give freely of their time and experience in guiding our company and our investments.

Citibank's standing financial commitments to CPC total over \$26 million. Additionally, they have made investments and

grants in other projects CPC is involved in, most recently the Nehemiah housing program where they have made a sizable no-interest loan to help rebuild this blighted community with 600 new homes. Citibank has always been among the first institutions to sign up for new CPC initiatives, and have encouraged others to do the same. They will be a founding participant in CPC's expansion to New Jersey.

Citibank is providing enthusiastic support for our efforts to revitalize the 12,000-unit Parkchester condominium complex in the Bronx. They have signed an expression of interest to provide up to \$20 million in financing for the property, and are working closely with us regarding end loans.

The bank has also provided longstanding support for the many

initiatives we have made on legislative issues regarding affordable housing.

In closing, Citibank's 23 years of support and financing have been a crucial underpinning to CPC's success in helping the affordable housing needs of the low and moderate income neighborhoods we serve.