



Shorebank Advisory Services

A Shorebank Company

Shorebank Advisory Services (“SAS”) is the advisory and consulting arm of Shorebank Corporation, a bank holding company based in Chicago, Illinois. Shorebank is a development finance institution dedicated to using combinations of commercial banks, non-bank financial institutions, and non-financial enterprise support and labor force development subsidiaries to promote the integration of marginalized and disinvested communities into the economic mainstream. SAS draws on the operating experience and resources of these other Shorebank subsidiaries to provide advisory services to the funders and implementors of development finance initiatives both in the U.S. and abroad.

What is Shorebank?

Shorebank was created in 1973 to prove that bank holding companies – commercial banks and non-bank subsidiaries – could halt and reverse the outflow of human and financial capital from Chicago’s distressed neighborhoods. The key premises of the Shorebank strategy were that (1) communities must be understood as markets, and markets are driven predominantly by the expectations and attitudes of private individuals and institutions, and (2) that a community based financial institution characterized by a permanent commitment to the development and vitality of its community can change expectations and attitudes, spurring investment by both residents and outside investors.

Today, with 25 years of experience and \$76 million in capital, Shorebank operates subsidiaries in five U.S. locations, comprising both urban and rural communities. The nearly two dozen subsidiaries range from Chicago’s South Shore Bank, 25 years old with \$650 million in assets, to a start-up real estate development company in Detroit, and enterprise development and support efforts in Michigan’s Upper Peninsula, Cleveland and coastal Washington State. Through its companies, Shorebank itself invested more than \$87 million in its target communities in 1997 alone, and catalyzed millions in complementary investment by others.

In addition to creating its own companies, Shorebank has undertaken management and advisory relationships in dozens of communities in the U.S. and abroad, ranging from the \$15 million National Community Investment Fund capitalized by NationsBank and focused on development finance institutions to rural finance providers in Nicaragua, Kenya and Bangladesh, to a \$15 million USAID fund to create developmentally-oriented financial intermediaries in the former Soviet republics of the Caucasus. In each location, Shorebank aims to integrate financial and other community development services in order to reduce the economic and social marginalization that can thwart the inflow of investment, jobs and business opportunities to underserved neighborhoods and communities.

What is Shorebank Advisory Services?

As the advisory and consulting arm of Shorebank, Shorebank Advisory Services (SAS) is responsible for designing and managing all of Shorebank's advisory and management relationships. SAS draws on the experience and methodologies of Shorebank's operating subsidiaries, as well as its own experience in designing and implementing Shorebank expansions and development finance initiatives around the world. The firm serves clients in a number of key areas:

- Strategic and business planning for increasing community investment;
- Capitalization strategies and creative use of investment tools;
- Evaluation services of particular markets and investments;
- Comprehensive risk management systems, including problem asset management and internal audit;
- Institutional capacity building, staff development and training; and
- Product innovation and implementation.

SAS prefers to maintain long-term relationships with its clients, often through a series of consulting contracts or, in a limited number of cases, representation at the Board level. As reflected in the attached List of Selected Clients, SAS's customer base includes:

- Community development financial institutions (CDFIs), ranging from microenterprise and community loan funds to regulated commercial banks;
- Financial institutions, including banks, credit unions, and insurance companies;
- International donors, multi-lateral agencies;
- Civic and corporate groups and alliances; and
- Community development organizations seeking effective microenterprise development approaches, urban housing revitalization strategies, and business venture opportunities.

SAS staffs its projects by drawing on its own staff as well as Shorebank colleagues with diverse experience and in-depth expertise in banking, enterprise finance, and real estate development.

For more information:
www.shorebankadvisory.com
773-288-0066

