**Semaphore Acquires Pacesetter Fund**

**Firm runs $60 Million in New Markets Tax Credit programs**

Semaphore is pleased to announce that it has acquired Pacesetter CDE, headquartered in Dallas, Texas. Pacesetter has received $60 Million in New Markets Tax Credit Allocation awards from the U.S. Treasury Department's Community Development Financial Institution (CDFI) Fund. The NMTC program works to stimulate equity investment from the private sector in low-income communities by providing a substantial tax credit to investors over a period of 7 years. Semaphore has been operating Pacesetter CDE for the past two years and entered into agreement with its majority shareholders, Wells Fargo and Bank of America, to acquire 100% of the stock of the firm. Pacesetter CDE was one of only 70 Community Development Entities (CDEs) nationwide that received an award this past spring.

“We are excited to now own this fund that we have been managing for the past two years and we look forward to the prospect of deploying future tax credits prudently and efficiently in appropriate businesses and projects throughout the country. We have an incredible pipeline of opportunities and we will begin working on new high-impact projects immediately,” said Mark S. DiSalvo, President and Chairman of Pacesetter CDE and founder of Semaphore.

“In the past two years Pacesetter CDE led the establishment of a doctoral-level School of Optometry, the redevelopment of a Katrina flood-damaged office building into a first-class hotel in New Orleans, and the creation of a retail fuel depot with total leveraged private investments of $60 Million. PCDE’s investments in its initial allocation created over 400 direct jobs, services to thousands of individuals monthly and total local and state tax revenues expected to be over $2,000,000 annually. The total economic impact over the next 10 years is projected to be greater than $300 million. “Most of the additional benefits will be felt in local communities with the creation of much needed jobs and support for education and municipal services,”said DiSalvo.

Pacesetter CDE has now completed its 2012 NMTC allocation for hard to find operating business financing, providing equity investments and/or senior debt. Approximately one-fourth of the allocation will be used in the nation’s most distressed rural communities. Among projects we have invested in in these last two months are:

* A major health care facility and eye care clinic establishing a 30,000 square foot building with 35 full examination rooms, lecture halls, 24 staff, and 98 clinical interns.
* Work with the Boy Scouts of America to provide a meaningfully improved outdoor experience at a wilderness camp for several thousand participants including youth in the ScoutReach program for disadvantaged boys.
* A new five story, 120,000 square foot hospital building expansion bringing care personnel from two non NMTC qualified locations.
* Finance, as a lead catalyst, a small city revitalization of a downtown area devastated by a series of category E3 tornadoes in March 2012. Health/Wellness and other facilities will create and retain nearly 500 permanent jobs while also supporting a medically underserved area.

Semaphore ([www.sema4usa.com](http://www.sema4usa.com/)) is a leading global professional services provider of Private Equity and Venture Capital funds under management and diligence services. Semaphore currently holds fiduciary obligations as General Partner for six Private Equity and Venture Capital funds, is a New Markets Tax Credit lender and advises General and Limited Partners as well as corporations around the world. Semaphore’s corporate offices are in Boston with principal offices in New York, London and Dallas.