

Enterprise Community Loan Fund

A HIGH IMPACT FUND



Photo from HopeWorks Station, courtesy of Enterprise Community Loan Fund

REVITALIZING COMMUNITIES THROUGH AFFORDABLE HOUSING CONNECTED TO OPPORTUNITY

Enterprise Community Loan Fund (ECLF) offers investors the opportunity to support the creation of affordable housing and community revitalization in low-income communities in cities across the United States.

A study issued by Harvard's Joint Center for Housing Studies found that nearly 25% of renters were spending more than half their income on rent each month, with little left over for other living expenses. Exacerbating an already insufficient supply of affordable housing is the fact that, over the past decade, more than 1.2 million affordable housing units have been lost to escalating rents, condominium conversions, abandonment and demolition. The result is that just 36 affordable and available homes exist for every 100 extremely low-income renter households. These low-income renters are statistically more likely to be seniors, disabled, and people of color. Due to the lack of affordable housing, low-income and extremely low-income households are forced to make impossible choices between shelter and food, healthcare, education, and other basic needs.

ECLF is raising up to \$100MM of funding through their Impact Notes, which are private debt instruments with varying terms and interest rates. The funding will support ECLF's mission to build wealth and prosperity among underserved communities by providing access to affordable housing and investing in community services.

ABOUT ENTERPRISE COMMUNITY PARTNERS

Enterprise Community Loan Fund (ECLF), a certified Community Development Financial Institution and affordable housing and community facility lending arm of Enterprise Community Partners, has over a 30-year track record of partnering with developers, investors, community-based nonprofits and government representatives to finance the creation of affordable housing and community serving real estate.

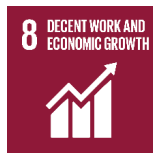
To date, ECLF has invested \$2.6B in communities across the country, created and preserved over 138,000 units of affordable housing and over 9.1 million square feet of commercial and community facilities.

ABOUT THE VENTURE IMPACT PROGRAM (VIP)

VIP is an innovative way for MCF donors to engage in impact investing through philanthropy. Via a partnership with ImpactAssets—a market leader in impact investing—VIP enables philanthropic dollars to be directed towards both non-profit and for-profit companies that are seeking to make positive social or environmental impact.

For further information, contact Safia Kryger-Nelson at MCF, 415.464.2515 or skryger-nelson@marincf.org.

* CDFI Certification is a designation given by the CDFI Fund to specialized organizations that provide financial services in low-income communities and to people who lack access to financing. CDFI certification is not a representation or guarantee of any Impact Note investment.



ImpactAssets		RISK RETURN MATRIX		
RISK LEVEL	HIGH RISK			
	MODERATE RISK			
	LOW RISK	X		
		NON-MARKET RATE	NEAR-MARKET RATE	MARKET RATE
RELATIVE RETURN				



ImpactAssets		FUND SUMMARY
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ASSET CLASS	Private Security
TARGET FUND SIZE	\$100MM
TERM	3 years 5* years
TARGET RETURN	3.0% 3.5%
GEOGRAPHY	United States; specifically, Chicago, Denver, Detroit, Gulf Coast, Mid-Atlantic, New York, Northern California, Ohio, Pacific Northwest, Southeast and Southern California
IMPACT AREAS	Affordable housing, community development, racial equity
INVESTMENT FEES	This recommendation will incur an additional fee of 0.40%. The fee is calculated on current asset basis.
INVESTMENT THESIS	<ul style="list-style-type: none"> ECLF delivers innovative financial products and technical assistance to mission-aligned organizations to acquire, develop and preserve quality and resilient affordable housing for low-and moderate-income families, and to revitalize their communities by providing access to good jobs, schools, transportations and healthy living environments.
IMPACT THESIS	<ul style="list-style-type: none"> ECLF's mission is to increase the supply of affordable housing, advance racial equity by dismantling the enduring legacy of systemic racism in housing, and build upward social mobility by investing in and strengthening communities To date, Enterprise Community Loan Fund has invested \$2.1B into communities across the United States and has created or preserved 122,480 affordable homes. In 2020 alone, ECLF invested more than \$118MM and created 4,184 units of affordable housing. On average, residents of the communities supported by ECLF are 32% Black, 23% Hispanic, and 7% Asian. Approximately 90% of financing serves working families, many of whom are deemed essential workers. Over the last three years, 36% of loans have been to BIPOC-led organizations.
ILLUSTRATIVE INVESTMENT	<p>HOPEWORKS STATION: Situated on what was once an underutilized industrial area, HopeWorks Station now is a bustling hub of opportunity for community members. Hopeworks consists of 65 affordable apartments empowering disadvantaged veterans, families, and youth. In addition, there are 13,000 square feet of commercial space for HopeWorks' training academy and Kindred Kitchen, a food service-focused social enterprise that offers a culinary job training program, career counseling, and confidence-building for residents and other trainees.</p> <p>ECLF provided \$4.2 million in bridge financing for the project. In addition to the bridge loan, ECLF low-income housing tax credit affiliate, Housing Credit Investments, provided \$13.2 million of low- income housing tax credit equity, and the Enterprise New Markets team provided \$9 million in NMTC equity for the commercial space.</p>
STRENGTHS	Track record of repayment of principal at maturity, plus interest; 96.1% of ECLF's portfolio secured by collateral; positive year over year growth of net assets; track record of successful impact that benefits people of color.
RISKS	The Impact Notes are not secured and there is no guarantee of repayment. Watch list loans comprise only 8.2% of ECLF's portfolio as of 12/31/2022 and 0% of assets are considered credit impaired. Additional risks associated with investments in the Impact Notes can be found in the prospectus.

*7 year, 10 year and 15 year notes are also available. Please contact client engagement at engagment@impactassets.org for more information. Financial information is current as of December 31, 2022 and all other information in this fact sheet is current as of July 31, 2023. This is not an offer to sell or a solicitation of an offer to buy securities. The Impact Notes are only available in the states where authorized and are subject to risks including the possible loss of the principal invested, which are described fully in the prospectus. The Impact Notes are not insured or guaranteed by the FDIC, SIPC or other governmental agencies. Past performance is no guarantee of future results.

There is no guarantee that any projection, forecast or opinion around any given investment will be realized with respect to impact, performance or liquidity. Past performance does not guarantee future results.

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