Enterprise Community Loan Fund
A HIGH IMPACT 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

Founded in 1982, Enterprise Community Partners has a nearly 40-year track record of partnering with developers, investors, community-based nonprofits, and government representatives to explore technical and policy solutions and to finance the creation of affordable housing. To date, Enterprise Community Partners has invested $61B in communities across the country and has created and preserved 793,000 homes. Currently, Enterprise Community Partners owns and operates 13,000 affordable homes and provides resident services for 22,000 people.

ABOUT THE VENTURE IMPACT PROGRAM (VIP)

VIP is an innovative new 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.
**ImpactAssets FUND SUMMARY**

<table>
<thead>
<tr>
<th>ASSET CLASS</th>
<th>Private Debt</th>
</tr>
</thead>
<tbody>
<tr>
<td>TARGET FUND SIZE</td>
<td>$100MM</td>
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<tr>
<td>TERM</td>
<td>5 years</td>
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<tr>
<td>TARGET RETURN</td>
<td>2.0%</td>
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<tr>
<td>GEOGRAPHY</td>
<td>United States; specifically, Chicago, Denver, Detroit, Gulf Coast, Mid-Atlantic, New York, Northern California, Ohio, Pacific Northwest, Southeast and Southern California</td>
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<tr>
<td>IMPACT AREAS</td>
<td>Affordable housing, community development, racial equity</td>
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<tr>
<td>INVESTMENT FEES</td>
<td>This recommendation will incur an additional fee of 0.40%. The fee is calculated on current asset basis.</td>
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**INVESTMENT THESIS**
- ECLF invests in community-based, non-profit and mission-aligned for-profit affordable housing and community facility borrowers that support ECLF’s priorities of access to quality schools, healthcare, safe and affordable housing, healthy foods, economic mobility, and housing resilience for climate-vulnerable communities and disaster recovery.

**IMPACT THESIS**
- 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**
The historic Saint Luke’s Hospital was once an anchor institution of the Buckeye neighborhood in Cleveland, but it sat vacant for over a decade following its closure in 1999. Today, Saint Luke’s is teeming with life and hope after its transformation into a multigenerational living and learning campus.

The three-phase project involved the rehabilitation and adaptive reuse of Saint Luke’s Hospital into 137 affordable senior apartments and a 70,000-square-foot Learning Campus comprised of commercial and office space now utilized by a number of nonprofit organizations. Enterprise Community Loan Fund, Inc. provided more than $5 million in financing throughout various phases of the Saint Luke’s Hospital rehabilitation.

**STRENGTHS**
- Exemplary track record of investor repayment, 80% of loans secured by 1st liens on underlying real estate, 12 years of positive unrestricted net earnings, track record of successful impact that benefits majority people of color

**RISKS**
- Number and amount of loans on watch list increased significantly due to COVID-19; however, 80% of portfolio is secured by 1st liens on underlying real estate and 0% of watch list loans are considered credit impaired.

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