

Partners for the Common Good & OFN

Economic Justice Partnership Fund (EJP)

\$50MM Affordable Housing and Community Facilities Financing



With a focus on smaller CDFIs, and minority-led borrowers as well as projects in rural and Native lands, the EJP Fund is a unique and innovative financing source providing critical, flexible capital.

WHO: Partners for the Common Good (PCG) + Opportunity Finance Network (OFN), are two leading national nonprofit Community Development Financial Institutions (CDFI) who joined forces to create the Economic Justice Partnership Fund in 2021.

WHAT: An innovative special purpose, off-balance sheet entity focused on economic justice, providing flexible capital to nonprofit CDFI loan funds that provide access to fixed rate financing for their borrowers.

EJP has a special emphasis on small to mid-sized CDFI loan funds who lend to BIPOC borrowers that create, expand, or preserve nonprofit community facilities or affordable housing.

WHERE: Urban, rural and Native areas in the United States.

www.pcgloanfund.org

EJP Product

- Funding for **affordable housing and community facilities** benefiting low-income communities.
- **Acquisition** • Bridge • **Construction** • Rehabilitation • **Mini-Perm** (or in combination)
- **Up to \$6MM loan size (stand alone or pari-passu lender on even larger deals)**

Features

- Enhances ability to **originate larger loans.**
- EJP is a solution that **eliminates the need for multiple participants** to make larger deals happen.

Rates

- Project borrower rates typically range between 5-6%

Loan Term

- **6-year** maximum

Collateral

- **First lien** on real estate, or acceptable collateral

LTV/DSC

- **Up to 90% LTV**, minimum 1.15x DSC

Participation Terms

- CDFI lending partner participates in subordinate tranche (typically around 6% of total loan amount, 80-90% LTV)
- Lending partner rate earned, **7%**

Origination Fee

- **Origination fee** on subordinate loan/participation amount, typically **100 bps**, but project-specific
- **7.5 bps** on aggregate loan amount
- **No servicing fee** charged

Partners for the Common Good manages the EJP Fund, and originates/services the loans.

Learn More about this fund and how it could help your CDFI and watch the EJP information webinar.

Contact us to discuss today!
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