

Partners for the Common Good & OFN

\$50MM Economic Justice Partnership Fund (EJP)

Financing Available for CDFI Loan Funds to Invest In Affordable Housing and Community Facility Projects



OVERVIEW

Partners for the Common Good (PCG) + Opportunity Finance Network (OFN), joined forces to create the Economic Justice Partnership Fund (EJP) in 2021. EJP is an innovative special purpose, off-balance sheet entity focused on economic justice, providing flexible capital to nonprofit CDFI loan funds that create access to fixed rate financing for their borrowers.

EJP has a special emphasis on partnering with small to mid-sized CDFI loan funds who lend to BIPOC borrowers that create, preserve, or expand community facilities and affordable housing in urban, rural and Native areas in the United States.

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

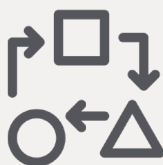
Learn More about this fund and how it could help your CDFI business.

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KEY HIGHLIGHTS



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)



Project borrower rates typically range between **5-6%**



Lending partner rate earned, **7%**

****** Approximately 6% of total loan amount in a subordinate position.



First lien on real estate, or acceptable collateral, **Up to 90% LTV**, minimum 1.15x DSC



Origination fee on subordinate loan amount/participation amount – plus **7.5 bps** on aggregate loan amount



No servicing fee charged



Enhances ability to **originate larger loans**



A solution that eliminates the need to have multiple participants to make larger deals happen

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.

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.

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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