Leveraging Impact Investing to Support a Community Transformation in Baltimore

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Enterprise Community Partners

• National nonprofit providing financing, technical assistance, and public policy solutions geared towards creating communities of opportunity

• 30 years of experience preserving and creating affordable homes, providing low- and middle-income families with a platform to build a stable and rewarding life

• Work began in Baltimore more than 30 years ago

• We have invested more than $16 billion in communities throughout the nation, creating or preserving 320,000+ affordable homes.

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Seawall Development Co.

Miller’s Court: Before
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Remington Neighborhood: Baltimore, MD

Source: MD Dept. of Planning
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Miller’s Court

Miller’s Court: After
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Miller’s Square
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Remington Row
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The Impact of Investment

The Rogers Family
Enterprise Community Loan Fund

• National Nonprofit Loan Fund, Treasury Department certified Community Development Financial Institution (CDFI)

• Invested $1.25 billion to create or preserve 90,000+ affordable homes

• Provides first-in financing to high-impact community projects

• Catalytic capital – our investments attract additional financing from traditional financial institutions

• Technical Assistance – our lenders are invaluable capacity building resources to our borrowers

• Provided Seawall Development Co. with $5.3 million for Remington Row and additional commercials sites in Remington
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Enterprise Community Impact Note

Impact Note Investors

Including:
- Individuals
- Foundations
- Religious Organizations
- Financial Institutions
- Insurance Companies

Enterprise Community Loan Fund

Evaluates and underwrites investments in community projects; provides technical assistance to borrowers

Remington Row

ECLF lends Impact Note investors’ capital to borrowers to finance and develop projects that make a positive impact in communities.
Impact Investing

• Investments made with the intent to generate a social impact alongside a financial return

• Opportunity for individuals and organizations to make an investment that will benefit a cause that they support

• Private Capital, Public Good - Investors are more aware of how their capital is being used

• Growing Field
  o US National Advisory Board on Impact Investing
  o Obama Administration Support to Accelerate Impact Investing
  o G8 Social Impact Investment Taskforce
Enterprise Community Impact Note

- Presents opportunity to broaden and diversify sources, and drive new capital investments to communities in need

- Enterprise Community Loan Fund launched Impact Note program in 2010

- Fixed-income, Fixed-term - investors’ alternative to a Bond, Certificate of Deposit, or T-Bill

- Success-to-Date: Raised more than $30 million from nearly 200 investors
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Capital on a Mission

Enterprise Community Impact Note

- Term: 2 – 10 years
- Interest Rate: 1.5% - 3.5%
- Open to individuals and organizations
- Supports affordable housing, nonprofit health care centers, education spaces
- Minimum: $5,000
- Geographic and Programmatic Targeting: $500,000
- Guaranty on Principal and Interest

Step 1
You purchase an Enterprise Community Impact Note, making an impact investment.

Step 2
Enterprise uses your investment* to provide a loan to finance affordable housing projects.

*You will receive quarterly interest payments until your investment matures.

Step 3
Once the affordable homes are completed, the borrower pays back the loan to Enterprise and that capital is reinvested in additional housing projects.

Step 4
Your investment matures and Enterprise will return your principal. You have made both a financial return and a social impact.
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Goldseker Foundation
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Goldseker Foundation: Impact Note Investor
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Social Impact and Financial Return

Miller’s Square Homes Before

Miller’s Square Homes After
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