

A woman and two children are standing in front of a large, vibrant mural. The woman, in the center, is wearing a light blue t-shirt and grey pants. She is holding the hands of a boy on her left and a girl on her right. The boy is wearing a striped t-shirt and blue pants, and the girl is wearing a pink t-shirt with 'RED SOX' and '3' on it, and pink plaid pants. They are all smiling and have their arms raised. The mural behind them is composed of large, abstract shapes in yellow, orange, pink, blue, and green. There are small white star-like symbols scattered across the mural. The text 'Catalyzing Opportunity for All' is overlaid on the right side of the image in a large, white, sans-serif font. Below it, 'A LISC Presentation' is written in a smaller, white, sans-serif font. At the bottom right, the 'LISC' logo is displayed in a large, white, sans-serif font, and the website 'elovecentral.com' is visible in a smaller, white, sans-serif font.

# Catalyzing Opportunity for All

A LISC Presentation

LISC

elovecentral.com



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Together with residents and partners, LISC forges resilient and inclusive communities of opportunity across America—great places to live, work, visit, do business and raise families.

# Since 1988 LISC LA Has...

**\$887 Million Invested**



**\$3 Billion Leveraged**



## 11,00 Homes

Affordable homes built and/or preserved including:

- Multifamily rental
- Supportive housing for special populations such as chronically homeless, LGBTQ, seniors and veterans
- Affordable homeownership

We also emphasize sustainability through green, healthy housing and transit oriented development.

## 1.9 Million Square Feet

Square feet of commercial, retail and community space, including:

- Early childhood centers
- Schools
- Fields/recreational spaces
- Healthcare centers
- Grocery stores
- Financial Opportunity Centers

## \$32.3 Million

Total Invested in 2019 in affordable homes, commercial real estate, nonprofits and small businesses.

## S&P 'AA' Rating

LISC is the first CDFI to tap the general obligation bond market, with a \$100 million issuance in 2017

# Our Model

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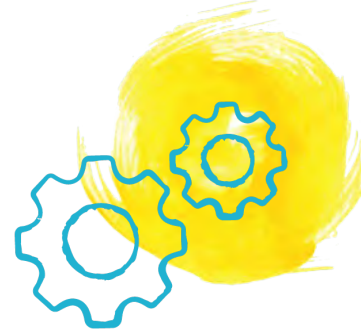
LISC is an investor, capacity builder, convener and innovator.



## Pool Public and Private Dollars

We raise funds from philanthropies, corporations and financial firms, federal, state and local governments and through the capital markets.

We also generate income from consulting, and lending services.



## Work With Local Partners

Through a network of local offices and community-based partners across the country, we provide grants, loans, equity and technical assistance.

We also lead advocacy efforts on local, regional and national policy.



## Support People and Places

By investing in housing, businesses, jobs, schools, public spaces, safety, youth, health centers, grocery stores and more, we catalyze opportunities in communities nationwide.

# Products & Services

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LISC offers an array of financing, consulting services and project support across all of our programs areas.



## Investments

Financial investments of grants, loans and equity for economic revitalization projects



## Services

Management and strategic services for partners



## Policy & Programs

Expertise in policy and program development and implementation



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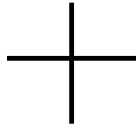
# Affordable Housing Funds



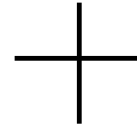
# Our approach to Fund Design is to build the Fund from the “ground up.”



**Starting** with local vision, knowledge and commitment to solving complex housing challenges



**Adding** financial and market acumen of LISC in solutions-oriented design



**Building** products that will be useful in a local market context



A Housing Fund that serves unmet needs of the local communities, the market, and of funders through collective impact.

# Why a fund?

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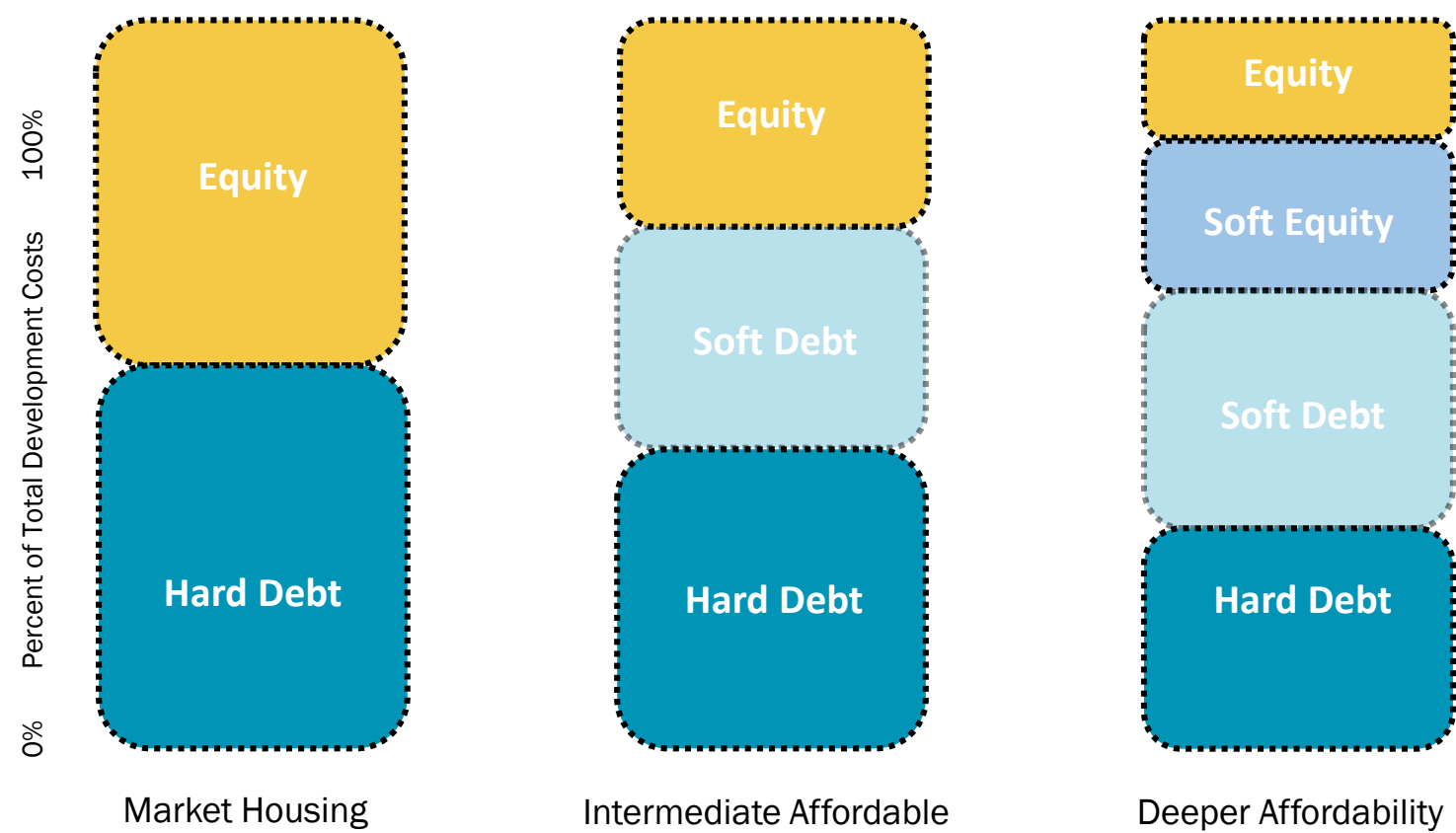
A fund exists to do something that doesn't fit the conventional financing toolbox, or that allows us to stretch the existing toolbox (i.e. blended interest rate, higher LTV).

A well-designed fund is *very narrowly focused* to serve a definable problem in the local market and structured to address a particular market need.

A fund can have the most impact when it takes a cross-sector approach, bringing together corporate, philanthropic, nonprofit and government.



By adding soft debt and soft equity to your capital stack, your Housing Fund can potentially achieve deeper affordability and address unmet need in the market.



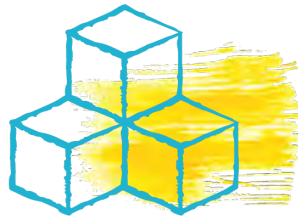


# Examples





# DC Preservation Fund



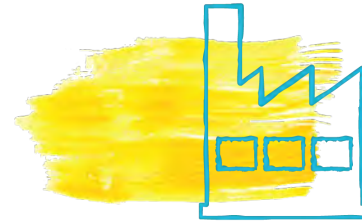
## WHAT?

The fund uses a \$9.5M government grant to provide flexible and low-cost predevelopment, acquisition, and critical repair financing for developers and tenant associations of eligible properties in DC.



## WHY?

LISC was selected by DC's Dept of Housing and Community Development to manage a fund to help preserve the affordability of DC's existing multi-family housing stock.



## AND SO?

LISC has deployed \$34 million over the 12 months since it received its initial Preservation Fund allocation, preserving nearly 500 affordable homes for families living in Wards 1, 3, 4, 7, and 8.



# DC Preservation Fund

- 3:1 Leverage
- Blended funds in all loans
- Loans up to 125% LTV
- 10 year affordability period
- 50% of the units at or below 80% AMI



# DC Preservation Fund

## City Towns/Sayles Place

- \$2.8M preservation fund acquisition
- Existing 60-unit townhome development containing 3, 4, and 5 bedroom units
- Rare opportunity to preserve large, family sized units and fund critical repairs.
- LISC loan will bring a new DC affordability covenant that requires that half of the units be affordable to households below 80% AMI households



Funding Source	Amount	Proportion of Loan	Cost of Funds
LISC Loan Capital	\$2,100,000	75%	6.0%
DC Preservation Fund	\$700,000	25%	0.0%
<b>Total</b>	<b>\$2,800,000</b>	<b>100%</b>	<b>4.0%</b>

# DC Preservation Fund

## 3218 Wisconsin Ave Cooperative

- \$3.9M preservation fund acquisition and predevelopment loan
- Existing 20-unit apartment building
- Located in DC’s wealthiest ward where only 1% of the housing stock is designated affordable
- Many of the tenants are long-term DC residents who have lived in the community for many years.
- Preservation fund capital allowed for 119% LTV
- Deed restriction associated with DC Preservation Fund, requiring that 50% of units are below 80% AMI rent levels



Funding Source	Amount	Proportion of Loan	Cost of Funds
LISC Loan Capital	\$2,946,900	75%	6.0%
DC Preservation Fund	\$982,300	25%	0.0%
Total	\$3,929,200	100%	4.5%



# SGV Housing Preservation – Fund Leverage

## Potential Goals:

- Provide 5-10 preservation loans over 3-5 year period with a revolving loan fund
- Preserve naturally occurring affordable housing in the San Gabriel Valley region
- Enable nonprofits and other affordable housing developers to purchase NOAH quickly with low cost acquisition funds.

			% total
SGV Preservation Fund	\$	1,300,000	25.00%
LISC	\$	3,900,000	75.00%
Total Funding	\$	5,200,000	100.00%

# Contact

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LSC



# LISC Fund Experience

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## CHOIF

### Charlotte Housing Opportunity Investment Fund

LISC has received over \$50 million in debt, equity, and grants from investors to support an off-balance sheet Fund-CHOIF. The fund product—low-cost equity—is designed by LISC Housing to be additive in the market, make below market rate investments in NOAHs and new construction rental housing. LISC serves as Fund Manager.

## AHLF

### Affordable Housing Leverage Fund

The Affordable Housing Leverage Fund (AHLF) is a partnership between Detroit Local Initiatives Support Corporation (LISC), the City of Detroit Housing & Revitalization Department (HRD), and the Michigan State Housing Development Authority (MSHDA). AHLF provides affordable housing developers and owners with streamlined access to financial tools designed to address housing challenges specific to Detroit's market and neighborhoods. AHLF is expected to deploy \$168 million toward the preservation of 10,000 units of existing affordable housing and the development.

## BFF

### Bay Future Fund

The \$500MM Bay's Future Fund (BFF) is an opportunity to catalyze the preservation and production of affordable housing for Bay Area residents across the low- and middle-income spectrum. The Fund uses flexible, low-cost capital to disrupt market conventions for how affordable housing is financed.

# Our Reach

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## 2,100 Partners

Our national network includes nonprofits, businesses and government agencies in both rural and metropolitan areas

## 3 National Affiliates

- National Equity Fund  
[www.nefinc.org](http://www.nefinc.org)
- New Markets Support Company  
[www.newmarkets.org](http://www.newmarkets.org)
- immito  
[www.immito.com](http://www.immito.com)

## 35 Office Locations

Atlanta, GA  
Boston, MA  
Buffalo, NY  
Charlotte, NC  
Chicago, IL  
Cincinnati, OH  
Denver, CO  
Detroit, MI  
Duluth, MN  
Flint, MI  
Fowler, CO  
Hartford, CT

Honolulu, HI  
Houston, TX  
Indianapolis, IN  
Jacksonville, FL  
Kalamazoo, MI  
Kansas City, MO  
Los Angeles, CA  
Milwaukee, WI  
Minneapolis/St. Paul, MN  
New York, NY  
Newark, NJ

Peoria, IL  
Philadelphia, PA  
Phoenix, AZ  
Pittsburgh, PA  
Providence, RI  
Richmond, VA  
San Antonio, TX  
San Diego, CA  
San Francisco, CA  
Seattle, WA  
Toledo, OH  
Washington, DC