

PRIVATE DEBT FUNDS



In 2011 and again in 2016, IMPACT created two private debt funds to leverage a unique California state program that provided state premium tax credits for insurers directing capital to Community Development Financial Institutions (CDFIs).

The mission of these CDFI's is to provide financing in the most economically underserved markets. This approach is one more example of how IMPACT maintains an efficient operating structure by entering into strategic partnerships with quality, experienced investment/asset originators to create scalable, institutional grade investment funds.



FUND I

In 2011, IMPACT leveraged the California Organized Investment Network's (COIN) state premium tax credit to invest insured deposits in 34 CDFIs across the state while securing state premium tax credits for its investors.

FUND II

In 2016, IMPACT again leveraged the COIN state premium tax credit to provide debt capital to CDFIs that are in turn, providing financing to underserved communities in California. With this fund, IMPACT made investments in two large CDFIs, both of which were able to leverage the capital to further support their financing activities.

SIZE

- Fund I: \$11.0 million commitment
- Fund II: \$20.0 million commitment

STATUS

- Fund I: Created in 2011; Exited in 2016
- Fund II: Created in 2016; Active

IMPACT

- Fund I: Funding for 34 CDFIs throughout California. Deposit proceeds were leveraged by the CDFIs with their existing capital and used to make loans in financially underserved communities and to disadvantaged persons throughout their organizational footprint.
- Fund II: The objective of the investments is to allow the CDFIs to further leverage their balance sheets to make loans for community health facilities, affordable housing and economic development projects all benefitting low income communities and families throughout the state.