

Transforming Communities.
Transforming Lives.



We have an unwavering belief that all people deserve the opportunities provided by living in healthy communities.

Ubuntu: *Because I am as We are* Cinnaire's Equitable Access Fund

Ubuntu—Cinnaire's Equitable Access Fund brings together public and private partners to advance healthy communities, creating opportunities for families, seniors, and residents with special needs.

Across the U.S., affordable housing is typically located in communities of color. However, it most often isn't local BIPOC developers who have had the opportunity to create these projects. In fact, studies show that just 2% of development companies are Black-led.* To address this inequity, Cinnaire has created Ubuntu—Cinnaire's Equitable Access Fund to support emerging BIPOC developers, utilizing Low-Income Housing Tax Credits (LIHTC), with financial capacity and technical assistance to overcome the high barriers to entry to build affordable housing.

The most significant hurdles that emerging BIPOC developers face are lack of access to capital and mentorship. Ubuntu addresses both these hurdles to facilitate accelerated development capacity and wealth creation for BIPOC developers. Ubuntu is the first fund developed as part of Cinnaire's commitment to drive capital and technical assistance to advance racial equity.

Innovative Structures for Low-Income Housing Tax Credit

Traditional Market Guidelines for LIHTC financing and investment require a high level of developer liquidity and net assets as mitigants against loan or investment losses. These guidelines result in a barrier for many emerging BIPOC developers to obtain financing. The Ubuntu fund will be structured to ensure that access to real estate financing provides innovative structures and interventions to address liquidity. It also provides guarantees where needed to deliver capital to BIPOC developers to move projects forward while establishing a track record of success and enabling them to grow their businesses.

**According to Enterprise Community Partners, just 2% of development companies are Black-led, and only 1.5% of real estate assets under management are controlled by BIPOC firms owned by BIPOC firms.*

*The word **ubuntu** comes from the Nguni language, and is translated as 'humanity towards others'. Its fundamental elements are respect, communalism, conciliation and inclusiveness. The spirit of Ubuntu is central to Cinnaire's Equitable Access Fund.*



Ubuntu includes technical assistance and mentorship to support emerging developers as they build capacity to undertake LIHTC development on their own. The Fund will also provide access to very low-cost loan capital available at each stage of the LIHTC development cycle. This full service, one-stop approach will reduce costly wait times and remove uncertainty that financing will be available to developers. Cinnaire has tailored our internal credit limits for this fund to reflect an emphasis on a developer's experience and demonstrated industry success, as opposed to personal wealth.

Fund Participant Requirements

Fund participants will be BIPOC developers who have experience developing LIHTC projects with partners that provided financial guarantees; BIPOC developers with substantial commercial real estate experience but limited exposure to LIHTC; and BIPOC developers who gained substantial LIHTC experience and exposure with other successful LIHTC developers.

About Cinnaire

Since 1993, Cinnaire has invested \$4.9 billion to revitalize communities, resulting in more than \$9.3 billion in community impact. A nonprofit CDFI certified by the U.S. Department of Treasury, Cinnaire has supported 863 housing developments, provided 53,000 affordable apartment homes and created or retained more than 80,000 jobs. Headquartered in Lansing, MI, with offices in five states, Cinnaire provides access to investment funding, lending options, and title services that support community and economic development, creating stable, sustainable and vibrant communities.



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