



**Low Income Investment Fund
Black Developer Capital Initiative (“BDCI”) – Round 2
Unsecured Predevelopment Line of Credit Product Sheet**

Product	BDCI Unsecured Predevelopment Line of Credit is intended to promote the growth of affordable housing development firms owned and operated by developers who identify as Black or African-American by providing enterprise-level financing for projects in predevelopment.
Borrower Eligibility requirements	<ul style="list-style-type: none"> • For-profit affordable housing development company. • Borrower entity is at least 51% owned, operated, and controlled by one or more persons who identifies as Black or African-American. • Main business address in: AL, CA, CO, FL, GA, LA, MA, MD, NC, NJ, NY, OR, SC, TN, TX, VA, WA, or Washington D.C. • Demonstrated project development experience, including day-to-day management of one or more successful projects from predevelopment through lease-up, either as developer, project management staff, consultant, or comparable role, including obtaining take out financing. Experience with projects of similar size to those identified for use of loan proceeds. • No minimum financial metrics to qualify. Maximum unrestricted liquidity of \$5,000,000 (cash and liquid assets).
Use of Funds	<ul style="list-style-type: none"> • To finance eligible predevelopment costs for identified proposed Affordable Housing Projects (“Project Loans”). Project eligibility: <ul style="list-style-type: none"> ○ Multi-family rental projects that will result in long term affordable housing for low- and very low-income households (e.g. NOAH preservation, LIHTC execution, mixed-income). Other affordable housing project types may be considered. ○ Borrower must have site control; takeout financing does not need to be committed, but options should be identified. • 10% of each Project Loan may be used for working capital, including personnel expenses.
Amount	<ul style="list-style-type: none"> • Line of Credit: Maximum of \$3,000,000 / Project Loan: Maximum of \$1,000,000
Term	<ul style="list-style-type: none"> • Line of Credit: Up to five years / Project Loan: Up to two years
Collateral	<ul style="list-style-type: none"> • Unsecured
Guarantees	<ul style="list-style-type: none"> • Full recourse to the Borrower. • Additional guarantees from the principals of the Borrower may be required.
Borrower Equity Requirement	<ul style="list-style-type: none"> • Minimum 3% of approved predevelopment budget for each Project Loan
Financial Covenants	<ul style="list-style-type: none"> • Minimum liquidity and net worth covenants

Molly Anderson, Deputy Director, Northeast Region (CT, MA, NJ, NY) • manderson@liifund.org
Pam Berkowitz, Director, Western Region (CA, CO, OR, WA) • pberkowitz@liifund.org
LaToya Kyle, VP, Southeast Region (AL, FL, GA, LA, NC, SC, TN, TX) • lkyle@liifund.org
Kenneth Stewart, Director, Mid-Atlantic Region (MD, VA, DC, WV) • kstewart@liifund.org