

LEVITICUS FUND QUARTERLY

MARCH 2018

LEVITICUS
FUND

Faith Capital for Building Communities



FROM OUR DIRECTOR

Dear Friends,

Leviticus Fund is a growing organization that is continuing to provide more financing, and to increase the technical assistance we offer, in order to reach new neighborhoods. Growth is not inherently good, but in our case, it has allowed us to support more organizations with the tools they need to house, educate, employ, and provide services to residents of the communities they serve.

A big factor in our growth has been the increasing number of institutional and individual investors that have entrusted us with their funds--now over 160 and counting, across 15 states, D.C., and Canada. In the past three months, we received two major new investments that will allow us to take another big step forward: a \$2.75 million award from the CDFI Fund to use as early-stage financing of affordable housing, and a \$500,000 grant from JPMorgan Chase Foundation to increase our capacity to provide loans and technical assistance in Yonkers and Newburgh. Our expansion in recent years was a major factor in our ability to obtain these new

A \$2.75 MILLION BOOST FROM THE CDFI FUND

Through our research and ongoing dialogue with nonprofit developers, it is clear that one of the most important resources we can provide to get affordable housing projects off the ground is flexible, early-stage financing. Not many sources offer these types of loans (predevelopment, acquisition, and bridge) to nonprofits, and fewer extend the flexibility Leviticus is able to provide.



With the support of the CDFI Fund's [Capital Magnet Fund](#) (CMF), we plan to provide more of these essential loans in the future, and at a lower interest rate. On March 16, Leviticus learned that it was awarded a \$2.75 million grant when the CDFI Fund announced its 2017 CMF awards. With this new resource, we will assemble a new lending pool to provide predevelopment, acquisition, and bridge loans for development, preservation, and rehab of affordable housing projects in New York State, particularly those serving very low- and extremely low-income families.

As one of just 25 CDFIs across the country to receive an award, we believe it is a testament to our growing strength and impact as an organization. More importantly, it empowers us to do more to help New York-based nonprofit developers move forward with critical projects that will change lives for the better in the communities they serve.

JPMORGAN CHASE FOUNDATION SUPPORTS OUR EXPANDING WORK IN YONKERS AND NEWBURGH

In the city of Yonkers, NY, many neighborhoods struggle despite [a spate of new riverfront investment](#). Forty miles north and across the Hudson, the small historic city of Newburgh is [combatting persistent poverty and distress](#), despite significant new interest from developers in the last few years. Both cities suffer from a shortage of decent affordable housing, a stubborn barrier to improving the lives of their low-income residents. Each city is part of the Hudson Valley [Urban Action Agenda](#).



This year, thanks to a new, \$500,000 grant to Leviticus from [JPMorgan Chase Global Philanthropy](#), we are deepening our role in both cities. Through this grant, we will increase our lending and staff capacity to serve as a financial and strategic partner to local

resources.

By adding these public and philanthropic dollars to those from our socially-motivated investors, we will make a positive impact on the lives of hundreds of families in the years to come.

Sincerely,
Greg Maher

IN THE NEWS

[RUPCO Works to Revitalize Newburgh's East End](#)

(Jan. 1, 2018)

[6th Annual Long Island Imagine Awards Finalists Selected](#)

Nominees include Leviticus partners

[Mercy Haven](#) and [CHI](#)

(Feb. 2, 2018)

From RECAP: [Girl Scout Creates Pop Up Shop at Shelter](#)

(Mar. 12, 2018)

DONATE

Leviticus welcomes donations of any size, which increase our lending capacity and allow our donors to give back to the communities where they live and work. Please consider donating today.

INVEST

Leviticus' investors enjoy a financial return on their investment while supporting high-impact projects in low-income areas. To learn more about investing, click here.

community organizations, helping them rebuild and develop more affordable housing and revitalize neighborhoods over the next two years and beyond.

A portion of the JPMorgan Chase grant will also fund a comprehensive housing report in Yonkers that will focus on housing conditions within neighborhoods in the south-west section of the city. By engaging with Yonkers residents, city government officials, and community stakeholders, and aided by fresh data about housing conditions, our intent is to help identify policy recommendations and strategies that can support the development and preservation of housing options for families with a range of incomes below the median.

HELPING ALBANY EXPAND ITS LAND TRUST MODEL

[Albany Community Land Trust](#) is a small organization putting [a big idea](#) for affordable housing into action in New York's capital. By being the owners and stewards of local land parcels, they create new homes that offer lower-income families secure pathways to homeownership, while also ensuring that the homes are preserved as permanent affordable housing for the community. ACLT has used this model for 30 years, and its impact is growing, including the creation of four new homeowners in 2017.



ACLT used Leviticus funds to refinance the center home

The stewardship of land practiced by ACLT is the same stewardship of resources at the heart of our own mission, so it was natural for us to become ACLT's financial partner as it expands its footprint. We provided ACLT a \$300,000 low-interest loan to help it refinance and repair several affordable homes and to acquire 10 new units, each of which will remain affordable for decades to come.

FINANCING NEW HEALTHY FOOD CHOICES

We continue to use resources from our CDFI Fund [Healthy Food Financing Initiative](#) award to increase access to quality food options in food deserts and other underserved communities. In our latest investment, Leviticus participated in a loan led by the [Reinvestment Fund](#) to finance a new, 30,000-square-foot commercial complex in a low-income neighborhood of Lebanon, PA, which will be anchored by a grocery store to be occupied by a Latino-owned operator who will tailor its products to the Latino community.



The store's future entrance

We will be contributing \$1 million to a \$3.69 million loan to Monarch Enterprises, the minority-owned developer of the complex, supporting an initial investment of New Markets Tax Credits (NMTCs) into the project. By working with a fellow CDFI to transform a large empty lot into a new destination for healthy produce, we are pursuing a common purpose and doing our part to strengthen another small city.

OUR NEWEST MEMBER: THE AUGUSTINIANS

The [Augustinian Province of Saint Thomas of Villanova](#) came to the United States in 1796, and since then they have been committed to serving communities in need across the Northeast and beyond. Their work has included restorative justice ministries for prisoners and their families, a health clinic for the underserved, and language and legal services for new immigrants. As a religious order, the Augustinians are also investors, and they have made a commitment to ensuring that their financial investments serve the same social purpose as their ministries.

"We try to bring the unity and sense of spirit that community creates to all of the people we serve. Leviticus has a direct and immediate impact on communities of people in need and works to lift them up, and that resonated with our focus. We hope to help Leviticus continue to do the good work they're doing in providing others in communities with opportunities to grow."

*Reverend Francis Horn, O.S.A.
Augustinian Province of
Saint Thomas of Villanova*

This commitment is why the Augustinians have chosen to become the newest member investor in the Leviticus Fund. We are happy to welcome them into our community of members and to utilize the resources they have entrusted to us to advance the greater good.

OUR NEWEST COUNSEL: HUNTON & WILLIAMS

Hunton & Williams sees real estate investment and finance law as one of its core strengths. Starting this year, the firm's New York City office will bring this expertise to Leviticus. Hunton will help us perform legal due diligence of real estate projects and document the financing of such projects so that our borrowers can advance their work in their communities.

We would like to thank Hunton's Don Simone for introducing himself and his 15 New York real estate finance attorneys to our work. By joining our roster of pro bono legal supporters, Hunton will ensure we have greater support to respond to our growing lending pipeline of projects and expand our benefits in a tangible way to our nonprofit partners.

"We provide pro bono clients with the same service and professionalism as all of our clients. Leviticus' projects fit perfectly into our skillset, and we feel we can really contribute to their efforts. We'll find great satisfaction in assisting an organization that is committed to serving the greater good in local communities."



*Don Simone
Hunton & Williams*

Hunton & Williams LLP has agreed to [merge](#) with Andrews Kurth Kenyon LLP effective April 2, 2018, but this will not affect the firm's new commitment to and relationship with Leviticus.