



## NONPROFIT LOAN PROGRAMS ADVANCE COMMUNITY PROJECTS STATEWIDE

The Arizona Community Foundation has been providing impact loans to support communities across the state for more than 15 years. We offer loans to qualifying nonprofits, schools, and municipal organizations to assist in completing essential projects that benefit our communities. These loans help organizations fill gaps where commercial lenders fall short, often serving as the catalyst to launch projects that serve the common good.

ACF is a national leader in the practice of impact investing. Using familiar market instruments such as loans, debt and loan guarantees, we have invested in innovating projects that advance education, improve water quality, address food insecurity, strengthen infrastructure, expand affordable housing, and more. As loans are repaid, funds become available for use with other projects, creating a continual recycling of charitable capital.

ACF offers impact loans in three specialized areas through loan funds that are supported by corporate and government partners. Collectively, these loan programs have distributed over \$28.2 million in loans and capital support, enabling nonprofits to leverage additional capital from other lending sources.

### Affordable Housing Predevelopment Loan Fund

This fund was established in 2007 to jump-start the development of decent, affordable housing in Arizona. Loans from this fund primarily address obstacles faced by nonprofit developers in relation to up-front costs before permanent financing is secured.

### Community Impact Loan Fund

This fund was established in 2012 to invest in innovative community projects using familiar market instruments such as loans and loan guarantees made at below-market rates. Loans from this fund provide charitable capital that creates both social and financial impact.

### ACF/USDA Rural Development Investment Fund

This fund was established in 2020 to assist rural communities with low-interest, short-term financing for infrastructure projects that USDA Rural Development has committed to funding. Loans from this fund benefit water systems, schools, affordable housing, firehouses, museums, parks, and related needs in rural communities.



**ACF’s loan programs:**

- Produce greater leverage and scale by using a small portion of assets as recyclable, low-interest, or market-rate loans across multiple nonprofit sectors.
- Introduce new and sophisticated financial tools to nonprofits, increasing organizational expertise and ultimately strengthening the nonprofit sector.
- Provide access to capital that may not be available or affordable to nonprofits through traditional lenders.
- Expand impact across the broader community.
- Attract new donors interested in achieving greater community impact.

	AFFORDABLE HOUSING PREDEVELOPMENT LOAN FUND	COMMUNITY IMPACT LOAN FUND	RURAL DEVELOPMENT INVESTMENT FUND
Loan Minimum	\$75,000	\$75,000	\$75,000
Loan Maximum	\$75,000 no borrower history \$125,000 successful borrower history	\$1,200,000	\$1,200,000
Loan Term	24 months; with ability to request extension	TBD by committee	9-24 months; 12-18 months is typical
Application Fee	-	TBD by committee	-
Origination Fee	0%	TBD by committee	1%
Interest Fee	0%	3.4% - 4%	4% +
Other Requirements	Project must be in pipeline for LIHTC funding	Organization must have available collateral to secure loan	Project must have documented commitment of funding from USDA
Additional Information	-	May incur legal fees; typically less than \$3,000	Must be in rural areas, as defined by the USDA

501(c)(3) nonprofit organizations, tribal entities, and government agencies are eligible to apply for loans.

For more information contact:  
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