

LOAN TO LHOME



CFL IMPACT
CAPITAL

The Community Foundation of Louisville has been making loans through CFL Impact Capital since 2014. These loans are invested in high-impact projects that create positive social impact alongside financial returns. Unlike grants, CFL Impact Capital loans are intended to be repaid to the Foundation and can be “recycled” back into the community through additional loans or grants. We invite individuals interested in creating deeper social impact to join the Foundation as loan participants through CFL Impact Capital.

Supporting small business, home ownership, and affordable housing lending, the Community Foundation of Louisville is extending a \$500,000 loan to LHOME. Our vision is a community where people and place thrive. But not all people and not all places in our community are thriving. Join us in moving capital where it is needed most, increasing opportunity through intentionally inclusive lending.

Who is LHOME?

LHOME (Louisville Housing Opportunities and Micro-Enterprise) is a Community Development Financial Institution (CDFI) committed to providing accessible, affordable loan products and financial coaching services to its clients. LHOME clients are predominantly African Americans living and/or working in Louisville’s West and South End, neighborhoods with long histories of redlining and scarce affordable accessible lending.

What do they do?

Accessible financial products and services. CDFIs are able to lend using criteria that are not dependent upon appraisals and loan-to-value measurements. Access to capital is limited in parts of our community. LHOME is addressing this gap by providing responsive, affordable consumer and business loans to low- and moderate-income residents. They are offering services ranging from short-term working capital loans for minority contractors and developers to build affordable housing and commercial properties to property tax loans developed to help resident homeowners pay current and past property tax bills.

Why invest?

Build wealth for current and future generations. By increasing the number of homeowners and small business owners, and by providing additional financial products and services, LHOME seeks to help individuals build wealth for themselves and their families, now and into the future. This loan will make funds available to increase financial access and stability for low- and moderate-income individuals and families in our community who are currently underserved. LHOME has experienced significant growth over the past six months and continues to build a loan portfolio helping clients across small business, entrepreneurship, and homeownership. The Community Foundation of Louisville has been an early supporter of LHOME through both CFL donor grants and a previous CFL Impact Capital loan. This will be our second loan to LHOME.

Loan structure?

The Community Foundation of Louisville is extending a \$500,000 loan to LHOME. The loan term is seven years, with quarterly interest-only payments at 2% and full principal due at maturity.

JOIN US



We welcome donors who are committed to mobilizing philanthropic resources to build a more vibrant community. Investing in local projects that have both a financial return and a social benefit can help to make our community a more vibrant place to live and work for all. **Donors may participate in this loan with a minimum of \$10,000.**

- As a Community Foundation donor, you can participate in this loan with a portion of your Donor Advised Fund principal or Charitable Checking Fund. Or make a new gift to your fund to provide a portion of the loan capital.*
- Unlike a grant, this loan is intended to be repaid. Upon maturity and full repayment, you will have the option to transfer the principal and interest received from your participation back to your Donor Advised or Charitable Checking Fund or use the principal and interest to participate in a future loan.
- If you're not yet a Community Foundation donor, you may still participate in this loan. Contact us to learn more about how easy it can be to invest in LHOME.

*The Community Foundation recommends limiting impact investments to no more than 20% of total assets in your Fund.

For more information, please contact the Community Foundation of Louisville Director of Philanthropy.
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