



Jonathan Rose Companies

IMPACT Community Closes New \$210M Mortgage Opportunity Fund in Partnership with Rose Community Capital Bridge Lending Program

After Successful Pilot Program, Firms' New Initiative Backed by Institutional Investors

(SAN FRANCISCO, CA – August 30, 2021) — IMPACT Community Capital (“IMPACT”), announces the successful close of the IMPACT Mortgage Opportunities Fund (the “Fund”) in support of Rose Community Capital’s (RCC) Bridge Lending Program for affordable housing properties. The Fund exceeded its initial capital target and raised \$210 million from six large institutional investors, closing five months ahead of schedule.

The IMPACT Mortgage Opportunity Fund was created in partnership with RCC, the lending arm of Jonathan Rose Companies focused on the origination, underwriting and placement of FHA insured and USDA guaranteed multifamily mortgages, after the success of an initial \$50 million in deals invested by IMPACT in 2020 to support the new bridge lending initiative.

“We are extremely pleased with the success of our new RCC Bridge Loan program. We’ve worked closely with our funding partner, IMPACT Community Capital, to structure a bridge lending initiative that will help secure the affordability of projects well into the future,” said Kelly Boyer, president of Rose Community Capital. “At these properties, most residents have household incomes at or below 60% AMI and would face economic displacement if these communities were converted to market rate. The IMPACT Mortgage Opportunity Fund helps ensure that these communities remain affordable for current and future residents.”

The RCC Bridge Loan is available nationwide and has been used to preserve and create affordable housing across the country. Examples of current projects range from 138 units in Savannah, Georgia preserving a Section 8 senior project to 50 units in Los Angeles, California creating a set-aside for permanent supportive housing for formerly unhoused persons.

IMPACT has been a pioneer in impact investing for over 20 years by creating purpose driven, institutional quality investments in scale. Housing is one area IMPACT believes to be fundamental to addressing the long-standing issues of social and economic injustice. To that end, IMPACT has invested over \$1B in affordable housing.

Unfortunately, the nation’s housing crisis faces an immediate threat: affordability restrictions on hundreds of thousands of federally assisted homes are set to end over the next several years, placing these properties at risk of becoming market-rate rentals. In 2021 alone, affordability restrictions on more than 123,000 federally assisted units — including those developed through the Low-Income Housing Tax Credit (LIHTC) program, Section 8, and other government programs — were due to expire.

The Fund helps address this need by providing high-quality, short-term bridge loans to developers and owners of affordable housing who want to preserve their properties’ affordability status or want to

transition existing market rate projects to affordable properties. The loans provide borrowers time to apply for permanent financing and government subsidy programs. Over the lifespan of the Fund, RCC and IMPACT expect to preserve over 5,000 affordable units across the United States.

The Fund's successful close sheds spotlight on the impactful role that institutions have been taking as it relates to affordable housing.

"Preservation of existing affordable housing is critical at this time when there is such a large deficit in the housing supply," said Jeff Brenner, CEO of IMPACT. "It is especially critical for vulnerable communities that have been disproportionately impacted by COVID. This was our motivation for creating the Mortgage Opportunity Fund and we are pleased to have RCC as a partner in this effort. Together with Jonathan Rose Companies, they are recognized leaders in the development and preservation of quality and safe housing, and we are fortunate to have access to their expertise and experience."

ABOUT IMPACT COMMUNITY CAPITAL

Founded in 1998 by leading insurance companies to generate institutional-quality, purpose-driven investments, IMPACT Community Capital is a leading investment manager in impact investing. One of the first managers to use mortgage-backed securitization to deliver capital in scale for affordable housing, the firm has now originated \$2 billion investments to provide affordable housing, healthcare, childcare and economic opportunities. IMPACT delivers institutional investment solutions that unlock value for investors while advancing opportunity in underinvested communities through impact driven investments. For more information visit impactcapital.net or contact Director, Investor Relations and Capital Markets, [Melissa Radic](mailto:Melissa.Radic).

ABOUT ROSE COMMUNITY CAPITAL

Rose Community Capital (RCC) is a designated FHA MAP and USDA 538 Guarantee lender and the financing arm of Jonathan Rose Companies, focused on the origination, underwriting and placement of FHA insured multifamily mortgages. RCC has a successful 20-year track record navigating government programs and working with government offices to develop affordable housing. For more information visit <http://www.rosecompanies.com/community-capital/>

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