

# Reinvestment Fund, Capital Impact Partners, And Low Income Investment Fund Ratings Placed On CreditWatch Negative

November 1, 2019

NEW YORK (S&P Global Ratings) Nov. 1, 2019--S&P Global Ratings placed on CreditWatch with negative implications its issuer credit ratings and related general obligation debt ratings on Reinvestment Fund (AA-), Capital Impact Partners (A+), and Low Income Investment Fund (A-).

The CreditWatch action is a result of our discovery of an analytic error. For these credits, in previous rating analyses, when applying our criteria "Methodology And Assumptions: Housing Finance Agencies And Social Enterprise Lending Organizations," published Dec. 27, 2016 on RatingsDirect, we incorrectly added undrawn lines of credit (LOCs) as sources of equity in our calculation of net equity (after S&P Global Ratings' credit adjustments). Instead, we should have considered LOCs in our analysis of an issuer's liquidity. As a result of this analytic error, the net equity-to-assets ratio for these credits was overstated. Our recalculation of net equity without undrawn LOCs results in a lower ratio.

During the CreditWatch period we will consider the rating impact of this lower ratio together with other analytic factors, such as most recent financial and performance-related information, consistent with our criteria.

The CreditWatch placement reflects our view that there is at least a one-in-two likelihood that we will take negative rating action within the next 60 days.

Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria. Please see Ratings Criteria at [www.standardandpoors.com](http://www.standardandpoors.com) for further information. Complete ratings information is available to subscribers of RatingsDirect at [www.capitaliq.com](http://www.capitaliq.com). All ratings affected by this rating action can be found on S&P Global Ratings' public website at [www.standardandpoors.com](http://www.standardandpoors.com). Use the Ratings search box located in the left column.

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