Diversity in Development - DMV Loan Fund

In an effort to support a more diverse pool of local real estate developers, Capital Impact Partners has launched the $20 million Diversity in Development - DMV Loan Fund (DiD-DMV), along with a corresponding equity grant program.

This Fund provides a new tool to increase Capital Impact’s long-time commitment to equitable development and inclusive growth in the Washington Metropolitan region, by deploying low-cost and flexible financing to local developers of color.

It is our goal to clear pathways to success for developers of color who face barriers to entering the real estate industry due to lack of capital, equity, and experience as a result of structural racism and disinvestment over the course of generations. In doing so, we can help ensure that developers in the Washington Metropolitan region are more representative of and responsive to residents of color, who make up roughly half of the region’s population.

Advantages of borrowing through Capital Impact Partners:

- With our headquarters in Arlington, VA, we have invested more than $200 million locally into projects including multifamily affordable and workforce housing, health care facilities, healthy food businesses, and education facilities.

- Through the DiD-DMV Loan Fund, Capital Impact is offering flexible low-cost capital with companion grants specifically designed to support local developers of color.

- We are familiar with local market conditions across the DMV and have worked with developers of color in D.C., MD, & VA; through our Equitable Development Initiative, we have deepened our commitment to fostering an environment where developers of color can advance.

We invite you to apply for a loan through Capital Impact Partners
Seth Whetzel | swhetzel@capitalimpact.org | 703.647.2323
A New Chapter Supporting Our Equitable Development Initiative

The Diversity in Development - DMV Loan Fund builds on our effort through the Equitable Development Initiative (EDI) to work more directly with real estate developers who reflect the Washington Metropolitan region’s demographics. EDI is working to build knowledge and connections within the local real estate development industry as a means to amplify the ability for communities of color to stabilize neighborhoods and build wealth.

In conjunction with EDI, this new loan fund leverages our experience working with local developers and community partners. Combined with our key strengths – including program design and project financing – we are better able to support developers of color to more easily enter the real estate development sector, grow their careers, and support local solutions to spur community growth.

EDI Program Goals

EDI supports local developers who identify as persons of color - who have historically experienced disinvestment due to structural racism. The program provides this support through training, technical assistance, and real estate development financing connections. The program has three broad goals:

- Increasing knowledge and network building for real estate developers of color
- Contributing to neighborhood stabilization and revitalization
- Supporting pathways for communities of color to build wealth

Creating Impact Through Local Projects

As we foster equitable access and opportunity, these projects exemplify how we are financing projects led by developers of color:

4726 Sheriff Rd NE | Ward 7

- Two DMV-EDI graduates - Thomas Houston and Talayah Jackson - are project sponsors.
- Capital Impact provided a nearly $1 million loan to support Mr. Houston’s nonprofit community development corporation, Medici Road, with the acquisition of a vacant lot to be developed into a 17,000-square-foot building with affordable housing, retail, and office space.
- The 12 condo units are anticipated to house 54 residents and will be for sale at prices affordable to D.C. residents earning 80% MFI.
- The ground floor will include co-working space to support local entrepreneurs and a locally owned and operated grocery store - the only true grocery store this far east in D.C.

Alabama Ave Apartments | Ward 8

- Capital Impact is providing a $2.475 million acquisition loan and a $900,000 predevelopment loan for this project, which will transform under-developed lots into a three-story affordable housing community.
- The project is led by Durrani Development Corporation, whose principal, Mustafa Durrani, has lived and worked in the D.C. area since arriving in the United States as a political refugee at the age of 3.
- The development includes 32 one-bedroom units, 28 two-bedroom units, and 26 three-bedroom units.
- Eighteen of the family-sized units will serve as permanent supportive housing for residents earning 30% MFI. Of the remaining units, 9 will serve residents earning 60% MFI and 59 will serve residents earning 50% MFI.

www.capitalimpact.org/diversityindevelopmentdmv