

INVESTMENT CASE STUDY: SHIFT NEIGHBORHOOD FUND



THE CHALLENGE

DISPLACEMENT OF KENSINGTON COMMUNITY

Residents of underdeveloped neighborhoods are displaced when speculative developers redevelop and develop new assets with no plan to address legacy challenges such as intergenerational poverty, trauma, and unemployment.

THE OPPORTUNITY



Photo credit: Planphilly.com

REAL ESTATE AS A TOOL FOR EQUITY

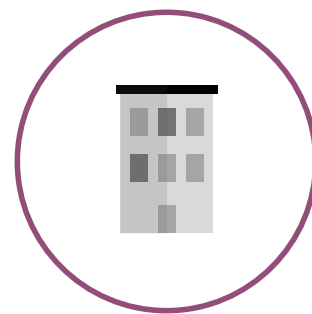
Shift Capital, a social impact real estate developer, takes a new approach to urban development: prioritizing people of the local community. Using a "collective impact" approach, Shift Capital partners with a diverse set of key stakeholders to acquire and equitably develop real estate assets that serve the community, all while aligning social metrics to the rigors of their B Corporation Certification and the United Nation Sustainable Development Goals.

A SOLUTION

SHIFT CAPITAL ATTRACTED PATIENT & IMPACT-FOCUSED CAPITAL FOR SHIFT NEIGHBORHOOD FUND



Dollars invested in real estate and sq. ft. renovated



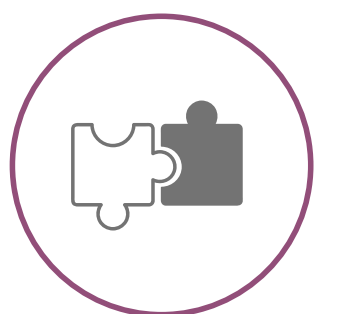
New small businesses and jobs created



Infrastructure and public space projects completed



Residents engaged directly in tenancy and programming



Value-add partnerships and programs

THE INVESTMENT

INVESTORS COMMIT \$70MM TO 7-YEAR FUND

Shift Capital plans to shift the portfolio into a trust to preserve the vision, mission, and opportunity for the neighborhood of Kensington.

A sample of debt and equity investors includes:



CAPITAL STACK

\$30MM DEBT
\$40MM EQUITY
\$TBD SUBSIDY

THE INTENDED IMPACT

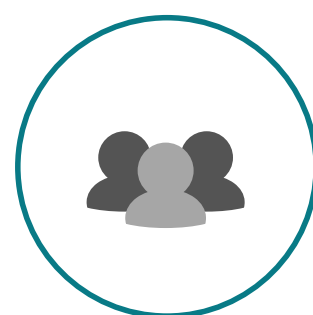
SHORT- AND LONG-TERM POSITIVE IMPACT FOR A DIVERSE RANGE OF STAKEHOLDERS

The ultimate impact is increased long-term self sufficiency, safety, prosperity, and quality of life for residents of underserved communities - in Kensington and beyond.



LOCAL INDIVIDUALS

Increased quality and affordable housing, jobs, income, amenities and services



THE NEIGHBORHOOD

Increased community cohesion and economic growth; reduced blight and vacancy



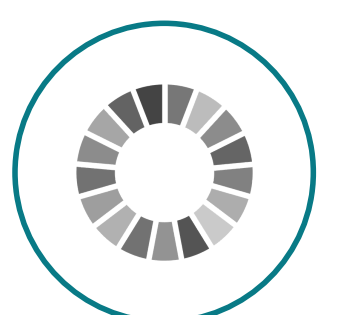
CITY OF PHILADELPHIA

Reduced crime and traffic incidents, improved public health conditions, increased tax revenues



UNITED STATES

An equitable neighborhood development model for other U.S. cities to adopt



UN SDGs

A solution to achieve SDGs for goals such as #11 - Sustainable Cities and Communities