

Shaping our Community
Hispanic Equity Fund Model

hispanicollaborative

in conjunction with **MMAC**



We believe there are **undervalued real estate assets** in the Latino Community and **many aspiring developers.**

All too often, our neighborhoods only see **big, block-dominating projects.**



An **Equity Fund** can help even the playing field and **support early-stage Latino developers and bring about positive social change.**

Why is having more Latino developers important to MKE?

- Latinos fuel population and job growth
- Our population is young and mobile
- Greater voice and participation in MKE equals greater investment
- Latino developers will help keep our population here and invested in Milwaukee





How do we gain more Hispanic developers?

- ACRE
- Capital
- Mentorship
- Smaller projects that can build successful track records

HISPANIC EQUITY FUND MODEL

FUND CAPITAL



+

MENTORING



+



SUCCESS

+



+



TECHNICAL ASSISTANCE

DETERMINATION

HISPANIC EQUITY FUND PARTNERS



hispanic collaborative

Additional partners



FUNCTIONS OF EQUITY FUND

- Hispanic Developer: either solo or 45% minimum ownership partner
- Projects in low/moderate income areas (CRA eligible)
- \$100,000 Minimum to \$1,000,000 Maximum investment
- \$250,000 to \$500,000 ideal investment
- Funds would likely come in as equity
- Funds could enter as mezzanine debt
- Would consider acquisition, remodel or new construction projects
- Geared to primarily multifamily and single family
- Developer would put in equity with a goal of a 2:1 developer equity match
- Investors would have a 5-year commitment

SAMPLE DEAL- SOLO

- 70% Traditional leverage
- 20% Hispanic Equity Fund
- 10% Developer Equity

SAMPLE DEAL - PARTNER

- 70% Traditional leverage
- 10% Hispanic Equity Fund
- 5% Hispanic Developer
- 15% Partner Developer



Are you an emerging Latino developer with ideas to transform your neighborhood?

Are you an investor that wants to put your money to great use?

Contact us today at nhernandez@mmac.org

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