



FOR IMMEDIATE RELEASE

Arctaris Impact Announces *Arctaris Baltimore*

A \$25M program providing private sector investment for growing companies in Baltimore's most challenged communities

Baltimore, Maryland, January 30, 2020—Arctaris Impact Investors, LLC (Arctaris) announced today the launch of *Arctaris Baltimore*, a \$25 million commitment to invest in Baltimore's underserved neighborhoods, in partnership with The Abell Foundation and Neighborhood Impact Investment Fund (NIIF). This program will provide private sector investment for growing companies in Baltimore's most challenged communities to help drive economic prosperity.

"Arctaris is excited to partner with The Abell Foundation and NIIF to invest long-term, growth-oriented capital into Baltimore, creating pathways to prosperity in the city's most underserved and underbanked communities" said Jonathan Tower, Managing Partner of Arctaris. "Our nationwide strategy is to partner with cities, creating programs where we provide 80% of the capital for community investments, alongside with 20% from local foundations and government partners, to encourage job creation and growth in underserved communities."

Arctaris Baltimore is the most recent program launch for the Arctaris Impact Fund, LP, which seeks to invest \$500 million in U.S. inner cities and low-income rural communities over the next five years. Arctaris has launched similar investment programs throughout the United States, including Washington, D.C., Maine, Michigan and Ohio. Arctaris plans to select six new cities and states for place-based investment programs in 2020.

As an anchor investor, The Abell Foundation committed \$4M in catalytic capital to Arctaris Baltimore. NIIF also committed \$1M in capital focused on a defined set of "eligible neighborhoods," comprising 65% of Baltimore, and where the City has directed NIIF to deploy capital to accelerate a set of coordinated community revitalization efforts. Combined with \$20 million from the Arctaris Impact Fund, these investments will catalyze a 5.0x match of senior debt from other impact investments to support a total \$25 million commitment to Baltimore.

"Local businesses are an integral part of healthy, vibrant cities," said Abell Foundation President Robert C. Embry, Jr. "They enrich communities, provide employment opportunities, and contribute to the overall quality of life. Arctaris offers a new funding resource for growing companies in Baltimore to expand and thrive and we're proud to have played a key role in bringing them to Baltimore to attract other investors to this great opportunity."

"NIIF was created by the City of Baltimore to deliver capital to neighborhoods and businesses that have long been ignored," said Mark Kaufman, President of NIIF. "We are thrilled to partner with The Abell

Foundation and Arctaris to create a powerful new resource for the city and to ensure that historically distressed communities are a focus for much needed business investment to drive opportunity, employment and growth where it is needed most.”

“Further strengthening our commitment to the underserved communities of Baltimore, we hired Anita Graham to serve as the Baltimore Market Manager for Arctaris,” continued Tower. “Graham, a veteran banker and SBIC equity investor, brings to bear her deep relationships in the Baltimore area to source partnerships and opportunities in the city.”

Arctaris Baltimore will provide loans of between \$1M and \$5M to small-to-medium sized businesses, with typical structures including five-year terms and a revenue share component on new growth of invested businesses. This “growth debt” model investing is one Arctaris has deployed successfully across prior funds. The loan program is industry agnostic and *Arctaris Baltimore* will re-lend funds as borrowers repay, enabling the program to potentially lend \$40M to \$50M throughout Baltimore over the next five years.

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About Arctaris Impact Investors

Arctaris Impact Investors is a Boston-based impact investment fund manager focused on revitalizing disinvested cities and targeted rural communities. The firm has launched and managed five funds over 10 years through partnerships with institutional investors, CRA banks, foundations, the U.S. Treasury Department, and state economic development agencies. For more information visit www.arctaris.com

About The Abell Foundation

The Abell Foundation is dedicated to the enhancement of the quality of life in Maryland, with a particular focus on Baltimore City. The Foundation places a strong emphasis on opening the doors of opportunity to the disenfranchised, believing that no community can thrive if those who live on the margins of it are not included. For more information visit www.abell.org

About Neighborhood Impact Investment Fund

NIIF is a mission-driven 501(c)(3) investment fund launched last year by the City of Baltimore and dedicated to delivering capital and promoting inclusive, equitable growth in Baltimore’s historically disinvested neighborhoods. With an anchor commitment of \$51.7 million from the City, NIIF seeks to support communities through loans and investments that can accelerate community revitalization, catalyze business activity and provide greater economic opportunity for residents. For more information visit www.baltimoreniif.com