



INVESTEES SNAPSHOTS

42 Years of Impact Investing at the Robert Wood Johnson Foundation: A Selection of RWJF Investees

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Photo (Blackstar): These borrowers transitioned from predatory, high interest home financing to a Blackstar mortgage that enables them to own their home and acquire equity.

ROC USA

Financing from the Impact Investments Unit (IIU): \$10 million loan and \$250,000 companion grant; both made in 2024



Photo (ROC USA): Residents of Halifax Mobile Home Estates celebrate converting their community into a resident-owned cooperative. Holding a banner in front of their homes, residents mark the milestone, reflecting shared ownership, long-term housing stability, and community pride.

Overview

ROC USA is a national nonprofit working to expand economic opportunity and long-term housing stability for residents of manufactured home communities by making residents' ownership of the land beneath their homes viable and scalable. Through a combination of technical assistance, training, and specialized financing delivered via ROC USA Capital,¹ the organization enables homeowners to form cooperatives and purchase the land beneath their homes. This model transforms manufactured home communities into democratically governed, permanently affordable, resident-owned communities (ROCs) that promote long-term stability, wealth-building, and community control.

As a key part of this engagement, the IIU unlocked financing from Prudential Insurance Company of America (Prudential), a more traditional and highly regulated investor. The IIU offered Prudential a 100% guarantee to protect Prudential's \$4.75 million loan to ROC USA. This eliminated the risk of financial loss for Prudential and enabled ROC USA to get a lower interest rate from Prudential. This guarantee countered policy barriers that can limit insurers' investments in community development. By piloting this innovative financial strategy, the IIU makes it easier for insurance companies to support future community development investments.

What challenge is ROC USA trying to solve?

Manufactured housing represents the nation's largest source of unsubsidized affordable housing. There are over 45,000 manufactured housing communities across the U.S., with approximately 22 million inhabitants. The median income of households living in manufactured homes is approximately \$38,087.²

¹ This entity is ROC's Community Development Finance Institution (CDFI).

² Jung Hyun Choi and Laurie Goodman, "22 Million Renters and Owners of Manufactured Homes Are Mostly Left Out of Pandemic Assistance" (Urban Institute, August 21, 2020.)

Although the majority of residents of manufactured housing communities own their homes, most individuals do not own the land beneath their homes. This leaves residents vulnerable to rent spikes, land sales to private investors, eviction, and instability. Because they do not own the land, these homeowners also are prevented from building equity, perpetuating cycles of limited wealth and economic insecurity.

Private market acquisitions of manufactured home parks have accelerated these pressures, contributing to displacement and undermining the social and economic conditions that support health. ROC USA addresses this structural inequity by giving residents a pathway to cooperative land ownership, shifting power from outside investors to homeowners, and turning a historically unstable housing arrangement into a durable, wealth-building asset.

Who does ROC USA serve?

ROC USA serves low- and moderate-income residents of manufactured home communities who do not own the land beneath those homes.

What is ROC USA's impact?

ROC USA's model generates significant and measurable social impact by transforming a structurally inequitable housing sector into a pathway for security, affordability, and wealth-building:

- As of December 2024, ROC USA has supported over 350 resident owned communities, representing ~24,000 homeowners in 21 states.
- The majority of these households (87%) are low-income, earning 80% or less of the local area median income (AMI).
- Wealth-building & equity creation: Resident ownership allows homeowners to build equity in their homes and land.
- Stability & affordability: Resident owned communities protect residents from rent spikes and displacement.
- Preventing predatory conversions: ROC USA provides a resident-led alternative to investor acquisitions that often lead to disinvestment, deteriorating conditions, and eviction pressures.

"Not only do they get the affordable housing impact that this has and the wealth-building opportunities for homeowners, they also get the bigger system policy connections that are important"

— Kent Wells (Investor Relations Associate, ROC USA)

RWJF's value-add

The IIU's involvement was catalytic for ROC USA. The IIU offered far more than financial capital. The IIU's guarantee, provided in partnership with Prudential, enabled ROC USA to access capital at lower interest rates and made additional financing feasible. The IIU also provided letters of support, expedited investment approvals, and consistently demonstrated flexibility and effectiveness as a partner.

The ROC USA team noted that the IIU has deep expertise in affordable housing, which is a particular advantage.

Taken together, the IIU's capital, brand, expertise, and hands-on support expanded ROC USA's ability to scale, to pursue innovative strategies in a shifting market, and to accelerate resident ownership as a powerful approach to wealth-building and housing stability. ROC USA leveraged the IIU's investment to mobilize \$37 million from additional funders.



Community Foundation Cohort³

Community Foundation of Greater Chattanooga (CFGC)

Saint Paul & Minnesota Foundation (SPMCF)

Greater Cincinnati Foundation (GCF)

Financing from the Impact Investments Unit (IIU): \$5 million loan and \$200,000 companion grant made to each foundation; all made in 2024



Photo (CFGC): Columbia Residential CEO, Jim Grauley, and President, Carmen Chubb, stand outside of the James A. Henry School overlooking the remaining units of the College Hill Courts Housing Development in Chattanooga's Westside Community. CFGC provided a \$2 million line of credit to support predevelopment costs for phases 3-5 of the project, which will provide 435 units of mixed income housing.

³ A fourth community foundation, Whatcom Community Foundation (WCF), was added to this cohort in 2025. WCF was not included in the analysis because the evaluation focused on data and investments made by RWJF through December 2024.

Overview

The IIU is helping a cohort of community foundations to expand their impact-investing practices and to direct flexible, mission-aligned capital into systemically excluded communities. The IIU provided community foundations with both individual loans and companion grants, enabling them to deploy flexible, place-based capital in support of communities' priorities and to grow their capacity to make local impact investments.

By directing capital into underserved neighborhoods, community foundations help reverse longstanding disinvestment and improve community health, stability, and economic well-being. Community foundations are experts in communities' needs, potential, and priorities. They draw on their deep local knowledge, convening power, and trusted relationships to deploy capital in ways that traditional, top-down approaches often cannot. They mobilize local partners, including city governments, developers, and nonprofits, around shared goals for racial- and health-equity.

Community foundations often perceive grant-making as the sole or primary way they can achieve their missions and goals, yet they have tremendous potential to use investment capital to support place-based impact. The IIU's investments enable these foundations to expand their use of investment capital for impact. These investments also can "prove the model," by showing how local impact investments are viable investments that drive systemic change.

Senior staff at SPMCF emphasize the need to shift away from this mindset and invest for local impact.



Photo: CFGC

"I truly believe that how we change things in a sustainable way is we use our assets differently. We think of them differently. We invest them differently. We put them out into community differently. [Impact investing] is changing how St. Paul & Minnesota Foundation shows up in community."

– Carrie Jo Short (Director of Community and Impact Investing, SPMCF)

Who do these community foundations serve and what challenges are they trying to solve?

Systemically excluded communities across the U.S. face persistent underinvestment in affordable housing, small business financing, and infrastructure, due to structural inequities and perceived risk. Traditional investors often overlook these communities, reinforcing disparities in wealth, health, and economic mobility. Community foundations serve residents and neighborhoods historically excluded from traditional finance and disproportionately affected by economic and health inequities. Specifically:

- **CFGC** serves Chattanooga residents facing barriers to economic mobility, including low-income families and neighborhoods experiencing housing instability.
- **SPMCF** serves Minnesotans in need of affordable housing, small business support, and equitable access to capital across urban, suburban, and rural communities.
- **GCF** serves communities across Greater Cincinnati disproportionately impacted by racial and economic inequities, especially those lacking affordable housing and access to community development financing.

What have community foundations accomplished with impact investments and support from the IIU?

By combining philanthropic mission with investment discipline, this cohort is advancing both economic mobility and the social drivers of health in the communities they serve. Specifically:

- **CFGC** (\$245 million total assets) began impact investing in 2018 by supporting entrepreneurship as a means for wealth creation. Financing from the IIU supports the development and preservation of affordable housing, specifically CFGC's provision of low-cost capital to private developers, nonprofit developers, and local government entities. To date, CFGC has used IIU resources for two projects, which will support 445 total affordable housing units.

- **SPMCF** (\$1.62 billion in total assets) launched impact investments in 2014 and made \$9.4 million program related investments through 2024. SPMCF provides flexible capital to mission driven entities that advance health outcomes across Minnesota. RWJF's financing anchors the Future Ready Portfolio, an impact-first investment strategy that prioritizes measurable community impact while maintaining disciplined stewardship of philanthropic capital.
- **GCF** (\$1.03 billion in total assets) started impact investing in 2018 and has since supported the construction, renovation, and preservation of 3,904 commercial and housing units; funded 692 entrepreneurs; and created or retained 1,978 jobs. GCF uses IIU resources to address affordable housing in Cincinnati by financing local intermediaries⁴ that provide capital for home repair lending, construct 25 net or near-net zero homes, retrofit 25 existing homes for low-income families, and help local contractors access working capital and technical assistance.

RWJF's value-add

The IIU supports community foundations with both catalytic capital and non-financial assistance. Its investments confer credibility, elevating community foundations' visibility with potential co-investors and increasing their ability to raise capital. The IIU provides meaningful thought partnership and technical guidance. It also expands community foundations' networks and sparks new collaborations. It provides targeted introductions to funders, developers, and local partners that strengthen and accelerate community foundations' impact investing practices. Collectively, RWJF's capital, brand, and engagement helps attract additional funders, catalyze local partnerships, and shift internal culture toward a more integrated and strategic approach to impact investing. After receiving RWJF's investments, CFGC, SPMCF, GCF leveraged \$1.4 million, \$10 million, and \$50 million (anticipated), respectively, for impact investments.

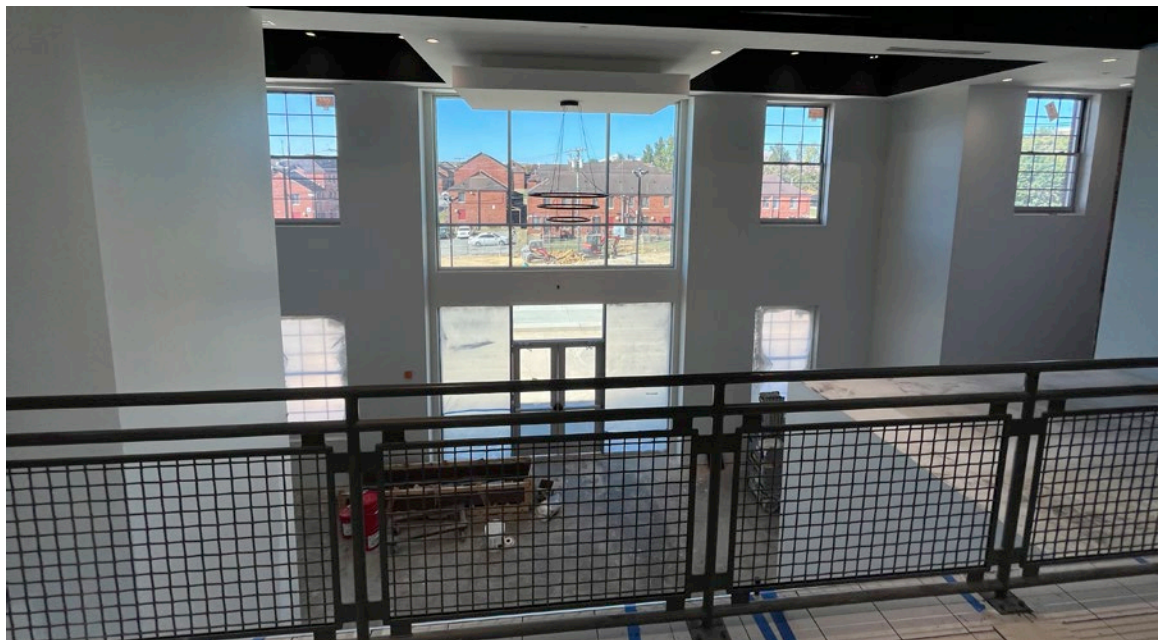


Photo (CFGC): This interior view from the 2nd floor of the James A. Henry School building faces the remaining units of the College Hill Courts Housing Development. The school is being remodeled and will house the 117 seat Head Start Center in Chattanooga's Westside Community. CFGC provided a \$200,000 grant towards the project.

4 These intermediaries include Minority Depository Institutions (MDIs), Community Development Corporations (CDCs), and CDFIs.

Blackstar Stability Distressed Debt Fund (Blackstar)

Financing from the Impact Investments Unit (IIU): \$4 million equity investment; made in 2022



Photo (Blackstar): With support from Blackstar, the Rayburns, exited a predatory lending arrangement and now own their home in Anderson, IN. A mortgage from Blackstar "means happiness," Violet said.

Overview

Blackstar is a Black-owned and led mission driven investment fund designed to preserve homeownership, stabilize households, and build wealth for low- and moderate-income families, particularly those who were long excluded from traditional mortgage credit because of systemic barriers. Blackstar acquires distressed or underwater nontraditional home financing alternatives and restructures them on fair, affordable terms, allowing borrowers to remain in their homes and build equity. By providing homeowners with reasonably priced, right-sized mortgages, Blackstar reduces both homeowners' monthly housing payments and the amount of debt they owe. In addition, by pairing financial restructuring with homeowner-centered support, Blackstar addresses entrenched disparities in access to credit and housing and advances core drivers of health: housing stability, reduced financial stress, and long-term economic security.

What challenge is Blackstar trying to solve?

Safe and stable homeownership is a core driver of health and well-being, yet many families, particularly Black, Latino, and low-income households, face structural barriers that block access to traditional, affordable credit. Excluded from conventional underwriting due to income volatility, thin credit files, and/or discriminatory lending practices, many turn to high-risk products such as contracts for deeds or nonstandard home financing mortgage alternatives. These arrangements require borrowers to assume the responsibilities of homeownership without its protections or equity-building benefits. A single missed payment can result in eviction and complete loss of investment.

These alternative loans are often sold in secondary markets in which investor incentives favor foreclosure over borrower stability, reinforcing cycles of displacement and financial insecurity, and exacerbating the racial wealth gap. Blackstar intervenes by purchasing these debt instruments and converting them into sustainable, affordable mortgages, shifting incentives away from extraction and toward stabilization, wealth-building, and improved health outcomes.

Who does Blackstar serve?

Blackstar serves low- and moderate-income households that have historically faced obstacles to accessing fair and affordable mortgage financing. The average Blackstar borrower earns less than 60% of the local area median income (AMI), and 33% of borrowers are people of color. Many are first-time home buyers or long-term residents in neighborhoods where conventional mortgage products and safe financing options are scarce. Blackstar serves families in 31 states.

What is Blackstar's impact?

Blackstar delivers measurable positive impact while reshaping incentives in the distressed mortgage market

- Since 2022, Blackstar has supported 185 families with an average income of \$84,700 (less than 60% of the local AMI).
- After restructuring their home financing with Blackstar, these families, on average, realized a 22.9x increase in net assets, an equity transfer of \$69,000, and a reduction in monthly housing payments of 24%.
- Blackstar expects to transfer over \$100 million in homeowner equity and to serve over 2,000 families.
- Blackstar's model flips a historically extractive segment of the market into one that builds family wealth and community resilience. By stabilizing households, reducing financial and health stressors, and enabling families to remain in their homes, Blackstar advances racial- and health-equity, while demonstrating that borrower-centered restructuring not only preserves homeownership, but also interrupts financial practices that have long contributed to the racial wealth gap.

"In terms of health and social impacts, civic involvement, and engagement, keeping people in their homes is something that benefits those families and communities. We take a lot of pride in the understood correlation between housing stability and ownership, health, and the educational outcomes for children."

– John Green (Managing Partner, Blackstar)

RWJF's value-add

RWJF's investment brought more than capital to Blackstar.⁵ RWJF is a committed thought partner willing to engage deeply in innovation. Unlike other investors who express interest in new models but hesitate to lead, RWJF demonstrated comfort being in the vanguard and supporting an approach that challenges conventional market practices.

The IIU has been an active, trusted partner to Blackstar, offering strategic questions and guidance. Blackstar leaders emphasized that RWJF's perspective "truly matters," noting that the RWJF team is thoughtful, flexible, and respectful of Blackstar's expertise, while still articulating what they hope to see.⁶ This combination of catalytic capital and authentic partnership has strengthened Blackstar's model and contributed to its ability to pilot systemic, equity-centered innovation.

⁵ Blackstar's impact is supported by many investors in addition to RWJF.

⁶ Investee interviews, fall 2025

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