NEW ECONOMY LOAN FUND

ABOUT THE LOAN FUND

The New Economy Loan Fund is an emerging community development financial institution (CDFI) that provides catalytic, low-cost capital to community land trusts, worker and consumer cooperatives, community solar, and other community wealth building initiatives in New York City. The Loan Fund is a subsidiary of New Economy Project, a citywide organization that works with community groups to build an economy that works for all.

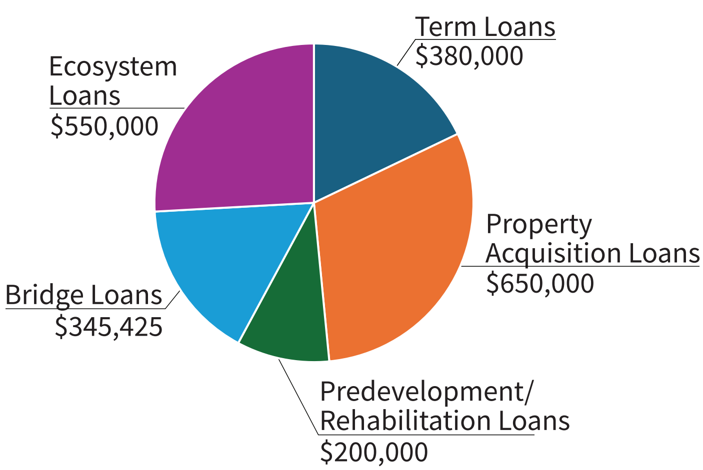
We structure loans to fill financing gaps that enable projects to launch and grow. We collaborate with other CDFIs to channel capital to New York City's cooperative economy — expanding access to democratically controlled living wage jobs, deeply and permanently affordable housing, community and commercial spaces, and other critical needs.

Learn more: **neweconomyproject.org/loanfund**

LOAN PORTFOLIO AT A GLANCE

- Loans Outstanding: **$2.13 million**
- Current Portfolio Delinquency Rate: 0%
- Current Portfolio Default Rate: 0%

(*as of June 2026*)



BENEFITS

Non-Extractive Capital: Provides low- to no-interest loans that prioritize community wealth building and other social benefits over financial returns. Our loans are patient and often repaid by next-stage funding.

Flexible Financing: Offers customized loan products that meet the unique needs of co-ops, community land trusts, and grassroots groups.

Capacity-Building Support: Pairs capital with technical assistance to help borrowers become loan-ready, grow sustainably, and navigate complex projects.

STRATEGY

Movement-Driven Lending: Invests in community-led initiatives that advance racial, economic, and environmental justice.

Tailored Loan Products: Designs and deploys financing that conforms to cooperative and community-led projects, fills capital gaps, and reduces borrowing costs.

Ecosystem Building: Partners with local organizations, city agencies, and funders to strengthen the infrastructure of the solidarity economy.

NEED

New Economy Project seeks grants and mission-aligned, low-cost capital to grow the New Economy Loan Fund to meet increased demand. We have a strong pipeline of prospective borrowers, including community land trusts and cooperatives in need of working capital, predevelopment, and acquisition funding.

Contact Executive Director Deyanira Del Río at dey@neweconomyproject.org to learn more about the Loan Fund and how you can support.

LOAN PRODUCTS: A CONTINUUM OF SUPPORT

We offer loans tailored to meet the needs of cooperative and community-led projects at various stages, including:

1. Predevelopment Loans: Early-stage loans to support community groups seeking to gain site control, conduct feasibility studies, secure architectural and legal services, and more. Many lenders avoid this phase due to risk or will not consider predevelopment loans below $500,000, leaving a major financing gap.

Loan Size: Up to $250,000, with plans to increase to $500,000
Repayment: Typically 12–36 months, interest-only options available

2. Rehabilitation & Construction Loans: Flexible capital for the renovation or build-out of affordable housing, community and commercial spaces, and other assets. These loans support community land trusts, worker cooperatives, and other organizations to rehab vacant buildings, perform energy efficiency upgrades, and make accessibility improvements, for example.

Loan Size: Up to $250,000, with plans to increase to $500,000
Repayment Terms: 2–5 years, with customized draw schedules

3. Term Loans: Working capital, equipment purchases, and debt consolidation to support the long-term sustainability of cooperatives and community ownership initiatives.

Loan Size: Up to $100,000, with plans to increase to $250,000
Repayment Terms: 3–5 years

4. Bridge Loans: Loans to support CLTs and cooperatives awaiting operating and capital grants and other payments on awarded contracts. We offer no- and low-interest loans to cover operating and development costs, contractor payments, insurance and other eligible expenses.

Loan Size: Up to $300,000, generally capped at 50% of award or contract
Repayment Terms: 6–24 months, typically repaid in full upon receipt of committed public funding

5. Property Acquisition: Flexible, nimble capital that enables groups to act quickly in competitive real estate markets, to preserve and bring into community ownership affordable housing, community and cultural institutions, and mixed-use sites. Loans may be used for deposits and down payments to secure purchase agreements, and as participation loans with other mission-aligned lenders.

Loan Size: Up to $500,000
Repayment Terms: 2–5 years, interest-only options during holding or predevelopment phase, flexible closing timeline to align with next-stage financing.

6. Ecosystem Loans: Low-cost capital to peer CDFIs and other trusted ecosystem partners, to support mission-aligned financing and technical assistance activities that advance housing justice, cooperative development, and community ownership.

Loan Size: Dependent on available funds
Loan Term: 3-5 years
Repayment Terms: Flexible structure based on borrower cash flow; may include interest-only, deferred repayment, or backloaded balloon payments

Case Example: East New York Community Land Trust

Formed in 2020, the East New York Community Community Land Trust (CLT) works to permanently remove land and housing from the speculative market, bringing it into democratic community ownership. The CLT completed its first acquisition in 2024: a 20-unit building where tenants had organized to address unsafe conditions, ultimately bringing the landlord to the table to negotiate a sale to the CLT. Together, the CLT and tenants raised $3 million to buy the building through grassroots fundraising, support from elected officials, and a loan from a national CDFI.

The New Economy Loan Fund supported this historic acquisition--the first of its kind by a local CLT--by providing a $200k predevelopment loan to fill a critical financing gap. Our loan enabled the CLT to make immediately needed building repairs, conduct environmental reviews, and perform activities needed to unlock the CLT's next stage of construction financing.