



BOSTON UJIMA PROJECT'S
UJIMA FUND
The nation's first democratic investment fund

Overview

The Ujima Fund is a democratic investment vehicle raising capital to finance small businesses, real estate and infrastructure projects in Boston's working-class Black, Indigenous, and other communities of color, as part of the larger Boston Ujima Project ("Ujima"). Ujima, named for the Swahili word for collective work and responsibility, uses a participatory budgeting process in combination with traditional underwriting to put economic development decisions in the hands of community members.

The Ujima Fund is raising capital from investors and institutions from across the country, Ujima Voting Members (current and displaced working class Boston residents, grassroots partner organizations, community business owners and their employees) and Solidarity Members (non-voting members). The Boston Ujima Project invites investors from all walks to join us in financing an economy that grows local wealth in our city and builds community power for social change.

Investment Strategy

1. Investment Democracy

With our grassroots partner organizations, Ujima hosts neighborhood and city-wide planning assemblies with hundreds of residents, local businesses and employees to set investment priorities and vote on investments that help achieve shared community goals. Local finance professionals and Ujima Members comprise the Ujima Fund's Investment Committee (IC), which conducts due diligence and makes recommendations to members before all investments come to a vote.

2. Equitable Returns

Normally, higher risk capital is compensated with higher returns, but we think about risk more broadly. For a working class investor, investing \$100 may be higher risk than a wealthy investor investing \$10,000. Ujima will leverage philanthropic dollars to secure the investments of working class investors and support reasonable returns for other investors seeking radical impact with their investments. Final terms will be described in a Fund Prospectus and ratified by Ujima's Voting Members.

Project Milestones

2018

Elected our first member-elected body, the Community Standards Committee

Hosted three community assemblies with grassroots partner organizations, passing 36 Good Business Standards and creating Neighborhood Investment Plans

2017

275+ individual Ujima Members and 15 local businesses gather to launch Boston Ujima Project

Ujima featured at SOCAP, COCAP, BALLE Summit, Sustainable Business Network of Massachusetts & Neighborhood Economics

Ujima featured in Next City Magazine, YES! Magazine, Social Innovations Journal, Laura Flanders Show, What's Next with Peter Buffett & In These Times

2016

175+ investors participated in Ujima's first investment pilot, crowdfunding \$20,000 and voting to lend it to five local Black & immigrant owned businesses

Ujima Fund Structure

Investment Type	Investor Type	Investment Range	Return Target	Term Length	Rights	Fundraising Goal
Kujichagulia Note (Self-Determination)	Non-Accredited Investors (Massachusetts only)	\$50 - \$10,000	3.0 % Annually	3 yrs.	Partial Security	\$500,000
Umoja Note (Unity)	Non-Accredited Investors (MA, CT, ME, RI only) and Accredited Investors (Anywhere in US, UK, CAN)	\$1,000 - \$250,000	2.0 % at Maturity 3.0 % at Maturity	3 yrs. 7 yrs.	Partial Security	\$3,250,000
Nia Note (Purpose)	Philanthropic Investors, (Accredited Investors only) (Anywhere in US, UK, CAN)	\$5,000+	1.5 % Annually	7 yrs.	Partial Security, Subordinated Debt	\$750,000
Imani Gift (Faith)	Donors and Foundations	\$5+	None	None	Gifted, Not Repayable	\$500,000



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The Opportunities

The Boston Ujima Project brings together diverse stakeholders in Boston's community development and finance sectors to address our needs collectively.

For Impact Investors

- Access to community-sourced dealflow with outstanding social impacts
- Access to multi-sector support to mitigate risk without sacrificing impact

For Residents

- Ability to invest locally, build wealth, and control community development
- Access to good jobs, local hiring and quality goods & services

For Local Businesses and Developers

- Access to patient, non-extractive capital
- Access to marketing, cost-saving and business development support from peers, residents, organizing partners and other stakeholders

For Grassroots Organizations

- Ability to finance mission-aligned social justice businesses and developers
- Ability to influence businesses and developers to meet community standards

Portfolio Investment Areas

The Ujima Fund plans to raise and invest \$5 million through 2020. The Boston Ujima Project's participatory research process has identified five underserved market segments with high social impact opportunities in our city.

Portfolio Holdings	Microfinance	Working Capital	Growth Capital	Real Estate	Community Infrastructure
Investment Range	\$2,500 - \$10,000	\$10,000 - \$75,000	\$50,000 - \$150,000	\$50,000 - \$250,000	\$50,000 - \$250,000
Investment Types	Unsecured Debt; Royalty Financing; Convertible Notes		Secured Debt; Convertible Notes; Equity		Flexible
Sample Investment Purpose	Small equipment for a new worker owned catering co-op	Inventory purchase for a new bike shop	New truck loan for an energy efficiency company	Real estate acquisition financing for a local Community Land Trust	Seed financing for community owned internet infrastructure

Key Fund Leadership

- Nia Evans** **Ujima Director**
Former Executive Director, *Boston NAACP*
- Lucas Turner-Owens** **Ujima Fund Manager**
Former Senior Analyst, *Next Street*
- Hendrix Berry** **Ujima Fund Strategist**
Financial Advisor, *Balanced Rock Investment Advisors*
- Aaron Tanaka** **Ujima Co-Founder**
Director, *Center for Economic Democracy*

The Challenges in Boston

While Metropolitan Boston is one of the wealthiest regions on the planet, our economy is not equitable. For hundreds of years, people of color in Boston have had to find more creative and collaborative ways to survive and thrive.

33-year life expectancy difference

between black and white neighborhoods
- *Center on Human Needs 2012*

Household median net worth of \$8

for multi-generational African Americans,
\$0 for Dominicans and \$247,500 for whites
- *Federal Reserve of Boston, 2015*

People of color-owned businesses capture 18%

of revenue while comprising 53% of area residents
- *City of Small Business Plan, 2016*

Learn More

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