



NEW HAMPSHIRE  
CHARITABLE FOUNDATION

# INVESTING IN NEW HAMPSHIRE



Photo by Cheryl Senter

## STRONGER COMMUNITIES ARE THE RETURN

The New Hampshire Charitable Foundation has added an **Impact Investment Fund** to its investment options and we welcome your partnership in this new venture. The Impact Investment Fund offers a strategic way for Foundation donors to pool charitable resources, invest in our communities and earn a financial return.

The **Impact Investment Fund** is a pooled investment fund that will make new capital available to innovative business ventures and solid organizations that have the potential to strengthen New Hampshire communities. Working alongside the Foundation's grant and scholarship dollars, this fund gives us an opportunity to make sizeable, long-term investments to address issues like economic

development, affordable housing and child care. It will also provide high-tech startups and small businesses access to the capital they need to succeed which strengthens the economy and creates jobs.

The Impact Investment Fund isn't about making grants. It is about investing in the community with the expectation of a positive impact for New Hampshire *and* a financial return.

## RECENT INVESTMENTS FOR IMPACT

The Foundation has a long history of making strategic investments that have strengthened communities and improved the quality of life for New Hampshire residents. While the Impact Investment Fund is new, the Foundation has made a number of these investments over the years including impact investments in **The Granite Fund** (2013) and the **New Hampshire Community Loan Fund** (2002 and 2014):



Photo courtesy of Dyn

The Granite Fund has invested in Dyn, the rapidly growing internet performance company that anchors the Manchester end of the emerging high-tech corridor between Boston and Manchester. Dyn hired 100 new employees in 2013 and more than that number in 2014.

### The Granite Fund

#### Investing for great jobs in New Hampshire

The Foundation made a \$500,000 impact investment in The Granite Fund, a venture capital fund managed by Borealis Ventures. The Granite Fund aims to keep the power and promise of New Hampshire's vibrant high-tech sector growing and thriving.

The Granite Fund will invest in 10 to 15 New Hampshire emerging technology companies that have potential for significant growth. The Foundation, the Endowment for Health and the State of New Hampshire all have invested in The Granite Fund, which is supported by a first-loss guarantee provided by the Business Finance Authority.

**Stronger communities ROI:** This investment will support the addition of at least 500 high-paying jobs in New Hampshire; co-investment from out-of-state sources worth two-to-four times the amount invested by The Granite Fund; and support for the creation and growth of technology clusters — including an existing life sciences cluster in the Upper Valley and a software cluster in the southern tier.

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“With Impact Investing, a portion of our donor advised fund is invested directly in the dollars to work. We appreciate knowing that our fund is making a difference beyond



Photo by Cheryl Senter

With its delicious all-natural pizza crusts in grocery stores around the country, Rustic Crust was on a fast-growth track and needed additional working capital and some new equipment to increase productivity. With support from the New Hampshire Community Loan Fund, Rustic Crust has tripled in size, added more than 80 jobs and acquired a new product line.

## New Hampshire Community Loan Fund

### Helping families, small businesses thrive

The Foundation made a \$2 million, five-year loan as an impact investment in the New Hampshire Community Loan Fund. The Loan Fund builds opportunity by helping traditionally underserved people participate more fully in New Hampshire's economy.

It has helped residents of 109 manufactured home communities create resident-owned cooperatives; makes loans to small businesses, assists child care centers to expand and thrive; its Vested For Growth program helps small businesses expand, and its Farm Food Initiative helps farmers and local food producers meet growing demand for local food.

Since 1983, the Loan Fund has supported the creation of more than 7,000 units of affordable housing in New Hampshire, more than 4,000 early childhood development

slots, and more than 2,600 jobs. It has provided almost 300,000 hours of training and support to its clients.

The Loan Fund, one of the first community development financial institutions in the country, was incubated at the Foundation. The Foundation has a 12-year history of sizable loans to the Loan Fund, beginning with a \$1 million loan in 2002. The Loan Fund has never failed to repay an investor.

**Stronger communities ROI:** This investment will support the creation of approximately 1,000 new units of affordable housing; creation and/or retention of 1,000 jobs and 1,000 new early childhood development slots; more than 100,000 hours of training, counseling and support services for Loan Fund clients; and generate co-investments of approximately \$100 million in total project value.

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community — and earns a return. We think of it as putting our fund's principal the grants we make.” – Peter Bergh and Janet Prince, Foundation donors



Kate Harris Photography, courtesy NH Community Loan Fund

A bridge loan from the New Hampshire Community Loan Fund helped Growing Places in Lee, NH renovate its classroom building and serve more children in a more energy-efficient space.

## We invite you to invest in New Hampshire.

To participate in the Impact Investment Fund, you can make a new gift into an existing or new donor advised fund. Or, you can transfer a portion of your donor advised fund for impact investing, to be managed as part of the Impact Investment Fund for a five- or 10-year period or permanently. Over time, the goal is to make funds equal to our charitable disbursement rate (currently 4.20 percent) available for grantmaking each year. The Foundation's regular administrative fee will apply.

The Foundation's Impact Investment Committee — consisting of Foundation directors and staff, Investment Committee members and industry experts — will analyze

“Why are 5% of our assets doing 100% of the work?”

– F.B. Heron Foundation, a leader in impact investing

and evaluate potential investments based on three main criteria: social impact, geographic region and financial return. While some investments may have a broader geographic reach, all will benefit New Hampshire.

*Note: As with any investment, there is no guarantee of investment returns, and there is a risk of loss of capital.*

**To learn more, contact Kevin Peterson at [kp@nhcf.org](mailto:kp@nhcf.org) or 800-464-6641 ext. 21270**

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