



## NEW HAMPSHIRE CHARITABLE FOUNDATION

### IMPACT INVESTMENT POOL

#### 2018 Investment Report

The New Hampshire Charitable Foundation's Impact Investment Pool is an investment fund that makes capital available to innovative business ventures and solid organizations that have the potential to strengthen communities while generating a financial return.

Launched in 2016, investments are helping to create local jobs, bolster economic development, increase the region's affordable housing stock, support local food production and help local families. In addition to these societal benefits, the pool generated an investment return of 1.6 percent in 2018.

#### 2018 BY THE NUMBERS

- \$10.2 million in current assets deployed

- 242 jobs created

- 48 child care slots created

- 388 affordable housing units supported<sup>1</sup>

- 1.6 percent investment return generated

#### CURRENT INVESTMENTS (initial investment date)

##### **Access Capital Community Investment Fund (2016)**

An investment in Access Capital's Community Investment Fund supports homes for working families. As of December 2018, Access Capital had provided financing support to 15 borrowers for 17 units in New Hampshire with a loan value of more than \$2.5 million.

##### **Community Housing Capital (2018)**

Community Housing Capital provides loans to finance the creation and preservation of affordable housing using nonprofit developers in the NeighborWorks network. In 2017, CHC disbursed 53 loans nationally — totaling \$90.8 million — which preserved 1,967 units and created 48 new units.

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<sup>1</sup> This includes 29 units developed by Twin Pines but do not yet have Certificate of Occupancy.

### **The Granite Fund (2013)**

The Granite Fund, a venture capital fund, is helping New Hampshire's high-tech sector grow and thrive. Since the initial investment, The Granite Fund portfolio companies have created or retained 754 jobs resulting in \$30 million being added to company payrolls. In 2018, portfolio companies created or retained 83 jobs — adding \$8 million to company payrolls — with average salaries ranging from \$90,000 to \$135,000.

### **The Littleton Food Co-op (2017)**

In 2017, the Littleton Co-op completed a 9,532-sq.-ft expansion with help from a loan from the Foundation, in partnership with the New Hampshire Community Loan Fund. In 2018, the Co-op hired eight additional full-time staff, increased membership by 7.9 percent to 6,706 members, and provided discounted food to 106 members with low incomes through its new Healthy Foods Access Program.

### **The Nature Conservancy (2016)**

The Nature Conservancy is working to improve the ecological health of the Gulf of Maine and restore declining fisheries so that local fishermen can maintain their livelihoods. The Foundation's loan commitment to The Nature Conservancy is helping the organization expand its "permit bank" program, aimed at maintaining access to Gulf of Maine groundfishing permits for local fishermen — and fostering collaboration among fishermen, scientists, and conservation groups. TNC is raising and borrowing money to buy the permits, keeping them local, and making them available for use by local fishermen. In return, those fishermen are collaborating on research on sustainable fisheries and reduction of impact on marine habitats. Foundation funds were first used in 2018 to acquire a multispecies groundfish permit from a New Hampshire fisherman. TNC currently owns 16 such permits and associated quotas along the New England seaboard including mid-Coast Maine, Cape Cod, and New Hampshire. This investment complements Foundation grants to TNC and others to help restore and protect the Great Bay estuary.

### **New Hampshire Community Loan Fund (2014)**

The New Hampshire Community Loan Fund works in towns and cities across New Hampshire to connect people and families with the loans, training and advice that allow them to have affordable homes, secure jobs and quality child care, and become economically stable. From 2014 through June 2018, the NHCLF has supported 1,737 units of affordable housing, 285 child care slots, and 888 full-time jobs. In fiscal year 2018, NHCLF closed on \$32 million in loans, resulting in 342 housing units, 48 child care spaces and 148 jobs.

### **Twin Pines Housing Trust (2018)**

Twin Pines Housing is building energy-efficient affordable housing with help from an impact investment from the New Hampshire Charitable Foundation. The Tracy Street Housing complex in West Lebanon will provide housing to 29 families in one of the tightest housing markets in the state. It will be the first “net zero” multifamily building (the building will produce as much energy as it consumes) in New Hampshire. The building will be next door to the public library, accessible to public transportation and within easy walking distance of shopping and services. The \$500,000 line of credit extended to Twin Pines through the Foundation’s impact investment pool helped kick-start the \$7.1 million project, which is slated to be completed in the summer of 2019. Twin Pines has paid back the \$400,000 it used for the project and expects to draw against the loan again to fund pre-development of a 24-unit senior housing project in Hanover.

### **The Vox Health Fund (2017)**

The Vox Health Fund, a venture capital fund, is helping to grow New Hampshire’s biotechnology ecosystem in the life sciences and digital health. Vox Health Fund looks to work with portfolio companies to increase high-paying jobs while developing healthcare therapies that could benefit millions of people. In 2018, the Fund advised 26 New Hampshire-based healthcare companies and provided support letters for three New Hampshire start-ups seeking Small Business Innovation Research (SBIR) funding (2 granted and 1 pending).

### **SUN Initiative (2017)**

The Stabilizing Urban Neighborhoods Initiative focuses on foreclosure relief in order to prevent displacement of families. Since its launch in 2009, SUN has provided more than \$173 million in financing, resulting in more than 1,000 families who are able to remain in their homes. The initiative has helped reduce homeowners’ monthly housing expense, on average, by 28 percent, or \$7,900 annually. In 2018, SUN originated 118 mortgages totaling \$22.8 million, which helped 127 families — predominantly in New England — to remain in their homes.

### **Aperio Group (2017)**

Aperio Group is an investment management firm specializing in hyper-customized portfolios designed to meet the specific tax, risk, and values-based/ESG goals of their clients. The Foundation’s portfolio targets companies with high social scores based on workforce, community, diversity and environmental performance and management and is tilted to companies headquartered in New England. In 2018, as in 2017, Foundation investments are more favorably scored than the Russell 3000 benchmark (most

commonly used for foundations) in the Aperio Social Score (75 vs. 64 on 100-point scale).

### **CIM Enterprise Loan Fund (2018)**

Community Investment Management partners with technology-driven leaders to provide capital to small businesses. To date, CIM has funded 29 businesses in 19 New Hampshire communities, supporting 575 jobs. In 2018, CIM funded two New Hampshire businesses, supporting three jobs.

### **QUESTIONS?**

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