



NEW HAMPSHIRE CHARITABLE FOUNDATION

IMPACT INVESTMENT POOL

2020 Investment Report

The New Hampshire Charitable Foundation's Impact Investment Pool, launched in 2016, 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.

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 5 percent in 2020 and 5 percent annualized for the trailing five-year period.

2020 BY THE NUMBERS

- \$14.1 million in current assets deployed
- 200+ jobs created/preserved
- 57 child care slots created/preserved
- 1,500 affordable housing units supported
- 5 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 2020, Access Capital has a portfolio of affordable mortgages to 21 low- and middle-income borrowers in New Hampshire with a loan value of more than \$3.8 million.

Affordable Housing Education and Development (2020)

In 2019, a 50-unit affordable housing community in Colebrook went on the market. Affordable Housing Education and Development (AHEAD) — which provides safe, affordable rental housing, homebuyer education, financial education and foreclosure intervention counseling to thousands of northern New Hampshire families — was best positioned to take on the facility and then help residents build and preserve assets for the future. In partnership with the NH Community Loan Fund, a loan facilitated AHEAD's purchase of the Monadnock Village apartments to ensure residents would have the best possible housing and support.

Community Housing Capital (2018)

Community Housing Capital (CHC) provides loans to finance the creation and preservation of affordable housing using nonprofit developers in the NeighborWorks network. In 2020, CHC

managed nine loans totaling \$14.4 million across New England — creating and preserving 251 units of affordable housing for 485 residents. They currently have one active loan in Nashua, NH. While the pandemic delayed a number of projects in their pipeline, three new projects in northern New England each received \$500,000 in grant awards with loans forthcoming in 2021.

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 more than 900 jobs. In 2020, portfolio companies created or retained 63 jobs — contributing roughly \$9 million to company payrolls — with average salaries ranging from \$107,500 to \$144,000.

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. Since completion, the Co-op has hired 10 additional local residents as full-time staff. In 2020, in the midst of the pandemic, the Co-op was able to purchase more than \$3 million in goods from local vendors, provide nearly \$35,000 in discounts on fresh produce to 156 residents, and increase their membership by 7 percent to more than 7,800 members.

The Nature Conservancy (2016)

The Nature Conservancy (TNC) 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 is helping expand their "permit bank" program, aimed at maintaining access to Gulf of Maine groundfishing permits for local fishermen. In return, those fishermen are working toward sustainable fishing by testing different types of fishing equipment to target healthy stocks and avoid depleted stocks. In 2019, TNC was approached by New Hampshire's fishing sector to acquire the Catamount permit so its valuable quota could stay with New Hampshire fishermen. In 2020, The New England Fisheries Management Council passed Amendment 23, which requires 100 percent monitoring on groundfish vessels, which will enable an improvement of catch data for stock assessments in the Gulf of Maine.

New Hampshire Community Loan Fund (2014)

The New Hampshire Community Loan Fund works across New Hampshire to connect people and families with loans, training and advice that allow them to have affordable homes, secure jobs and quality child care, and become economically stable. In fiscal year 2020, NHCLF closed on \$42 million in loans, resulting in 1,053 housing units created or preserved, 57 child care spaces supported and 133 new or retained jobs. At the same time, the Loan Fund has been hard at work helping borrowers weather the pandemic. This has included technical assistance to help farmers rethink packaging and distribution, moratoria on loan payments for home owners affected by illness and/or layoffs, and a free, confidential help line to help connect borrowers to community resources.

Northern Forest Center (2020)

In 2018, the Northern Forest Center (NFC) purchased the Parker J. Noyes building in Lancaster because of its potential to contribute to the vitality of the downtown. NFC believes the building transformation will create safe, comfortable downtown living spaces for residents, add new commercial space where small businesses can thrive, and create excitement on Lancaster's vibrant Main Street. Redevelopment of the property is underway with goals that include providing six, two-bedroom apartments, expanding access to local food, reducing energy consumption, and historic preservation.

Preservation of Affordable Housing (2019)

Preservation of Affordable Housing (POAH) is a nonprofit developer, owner and operator of affordable homes. Its mission is to preserve, create and sustain affordable, healthy homes that support economic security and access to opportunity. POAH manages properties in Dover and Claremont, providing 162 units of affordable housing that accept Section 8 vouchers. POAH has also implemented a family self-sufficiency program in both cities, where residents can work one-on-one with a financial coach to set goals, build financial skills, and identify barriers they need to overcome for success.

Twin Pines Housing Trust (2018)

Twin Pines Housing is building energy-efficient affordable housing with help from an impact investment from the Charitable Foundation. In 2020, Twin Pines launched the second phase of construction at Summer Park Residences in Hanover. Made possible through the Charitable Foundation's investment, the second phase will add 18 units of housing for people over the age of 61 and people with disabilities to the 24 that already exist on the site. The addition will feature energy-efficient studio and one-bedroom apartments near a public transportation route.

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 2020, the fund advised 43 New Hampshire-based healthcare companies and provided support letters for seven New Hampshire start-ups seeking Small Business Innovation Research (SBIR) funding (five granted).

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. The portfolio also excludes companies that generate revenue from the sale of tobacco and/or opioids. In 2020, 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 35 businesses in 23 New Hampshire communities, supporting 649 jobs. In 2020, CIM funded one New Hampshire business, supporting four local jobs.

QUESTIONS?

Valerie Berezin, Investment Analyst
vb@nhcf.org or 800-464-6641 ext. 23228

Simon Delekta, Senior Program Officer
sd@nhcf.org or 800-464-6641 ext. 22297