



COVID-19 RELIEF & RESPONSE

RECOVERABLE GRANTS & INVESTMENTS

MEET URGENT NEEDS AND SUPPORT RECOVERY EFFORTS

As the Covid-19 pandemic continues around the world, many are looking for ways to support those most affected. Drawing from our database of impact investments and network of partners, CapShift has created this **Covid-19 Relief & Response – Sourcing Report**. It highlights organizations raising investment and recoverable grant capital to address the healthcare and economic challenges arising from this crisis. As we continue to add and review opportunities, the report will be updated periodically.

You'll find opportunities focused on four categories that:

- 1. Improve Covid-19-related health outcomes** by funding the purchase and distribution of critical equipment to protect healthcare workers and their patients, as well as investing in innovative companies speeding up the development of a vaccine.
- 2. Provide economic support and opportunity** by offering flexible financing to families, communities, small businesses and nonprofits hardest hit by Covid-19, both in the U.S. and around the world.
- 3. Help specific localities** by providing low-cost capital to small businesses and nonprofits in the most affected U.S. cities.
- 4. Support long-term recovery** by providing patient capital to support individuals disproportionately impacted by the crisis to retrain to secure new jobs, gain access to affordable housing, build infrastructure and receive medical care.

CapShift is an impact investing platform that serves philanthropic and financial institutions, along with their clients, to mobilize capital for social and environmental change. In this time of crisis, we want to assist you, allowing you to move quickly and with confidence to help communities most in need.

Our impact investing database offers details on more than 1,000 opportunities and is supported by a suite of research services to expedite your investment and impact review. Many of the opportunities in the report are pre-approved at lower minimums by leading donor advised fund (DAF) providers that work with CapShift.

If you have questions about investing in these opportunities (including through a DAF account), or would like additional information from our research team (including regarding targeted returns on investment), please reach out to us at info@capshift.com or visit www.capshift.com/covid19.

COVID-19-RELATED HEALTH OUTCOMES

UNICEF USA BRIDGE FUND



INVESTMENT or RECOVERABLE GRANT

Min. Investment: \$50,000
Term: 3-year

DESCRIPTION

Fund that provides bridge financing to accelerate UNICEF's delivery of life-saving vaccines and other medical supplies. The Fund has directed capital to the purchase of personal protective equipment for Covid-19.

IMPACT

Accelerate the delivery of life-saving supplies, as well as health, education, and emergency relief programs to children in need

Beneficiaries: Children in developing countries
Focus: Healthcare outcomes
Geography: Developing Countries

POTENTIAL FUNDING EXAMPLE

Bridge financing to accelerate the delivery of life-saving personal protective equipment. The Bridge Fund has allocated over \$10m towards Covid-19 related equipment to-date.

RISK CONSIDERATIONS

Recoverable grants are bridging payments from large institutions such as the World Bank and World Health Organization for PPE, other medical supplies, and vaccines, and benefit from first-loss equity protection from UNICEF USA, which reduces risk of loss.

UNICEF USA FAST FUND



RECOVERABLE GRANT

Min. Investment: \$50,000
Term: 18-month

DESCRIPTION

Fund that provides UNICEF purchase guarantees to back prepayments for urgently needed personal protective equipment and oxygen concentrators in developing countries.

IMPACT

Each \$100,000 of guarantee to UNICEF can enable \$1.8m of essential personal protective equipment purchases over 18 months.

Beneficiaries: Frontline healthcare workers, families
Focus: Healthcare outcomes
Geography: Developing Countries

POTENTIAL FUNDING EXAMPLE

UNICEF uses loan guarantee to release funds to prepay 30% of the cost for N95 masks and gowns for healthcare workers in Ghana, which the government pays for post-delivery.

RISK CONSIDERATIONS

Guarantees could be triggered if suppliers fail to deliver products as contracted. Risk is mitigated by UNICEF's strong network and experience in procuring and delivering vaccines and other essential supplies in developing countries.

ECONOMIC RELIEF - U.S. (NATIONAL) & DEVELOPING COUNTRIES

INTERNATIONAL RESCUE COMMITTEE – CEO 0% RESILIENCE LOANS



RECOVERABLE GRANT

Min. Investment: \$25,000
Term: 3-year

DESCRIPTION

Nonprofit fund, subsidiary of the International Rescue Committee, that provides zero-interest, small-size loans and financial coaching to immigrants and refugees impacted by Covid-19.

IMPACT

Help refugees and immigrants fund basic needs, reduce interest burden, build credit, and improve financial literacy.

Beneficiaries: Refugees, immigrants, and credit-thin individuals
Focus: Economic relief
Geography: United States

POTENTIAL FUNDING EXAMPLE

Zero-interest loan to a family from El Salvador for \$1,400 to allow them to pay off 20%+ interest rate auto loan; family also receives financial coaching and support from IRC.

RISK CONSIDERATIONS

Small-dollar lending to this vulnerable community will result in defaults or deferred payments. CEO loan pool has grants providing 25% first-loss capital, which can reduce loss of principal for recoverable grants.

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NEW LIIF COVID-19 RELIEF FUND



RECOVERABLE GRANT

Min. Investment:
\$100,000
Term: 2-year

DESCRIPTION

Nonprofit loan fund that provides Covid-related relief to borrowers in the healthcare, PK12 education, housing, and community services sectors.

IMPACT

Defer principal and interest and/or provide new loans to allow borrowers affected by Covid-19 to maintain operations.

Beneficiaries: Low-income communities and businesses
Focus: Economic relief
Geography: United States (focus on CA, NY, NJ, DC)

POTENTIAL FUNDING EXAMPLE

Deferral of principal and interest on a loan to a nonprofit health clinic providing care to poor and uninsured residents of northwest Pasadena.

RISK CONSIDERATIONS

Recoverable grants will serve as first-loss capital in a pool of current and future loans to businesses impacted by Covid-19. Thus, investors should anticipate some or a significant loss of capital.

OPEN ROAD IMPACT FUND



INVESTMENT or RECOVERABLE GRANT

Min. Investment:
\$200k
Fees: 2-3.5%; incl. in net return
Term: 5-year+

DESCRIPTION

Fund that provides social enterprises and nonprofits with immediate low-cost loans to counter near-term business disruption and lost revenue from Covid-19.

IMPACT

Help social enterprises maintain operations despite business disruption from the Covid-19 pandemic.

Beneficiaries: Social enterprises, their employees, and their communities
Focus: Economic relief
Geography: United States / Developing Countries

POTENTIAL FUNDING EXAMPLE

18-month low-interest loan to a community center in Chicago forced to shut its doors and cut staff due to state operating restrictions.

RISK CONSIDERATIONS

Lower-risk bridge financing balanced with longer-term loans that may need restructuring or extension in prolonged downturn. Risk of loss may be increased since Open Road does not limit risk exposures to specific industries/countries.

*RG = Recoverable Grant

ECONOMIC RELIEF - U.S. (LOCAL)

BOSTON IMPACT INITIATIVE ENTERPRISE RELIEF FUND



RECOVERABLE GRANT

Min. Investment:
\$10,000
Term: <1-year (12/31/20)

DESCRIPTION

Nonprofit fund that provides debt relief to minority-owned businesses in eastern Massachusetts that have faced significant business disruption due to Covid-19.

IMPACT

Help minority-owned businesses in Massachusetts maintain operations despite business disruption due to Covid-19.

Beneficiaries: Small businesses and their employees
Focus: Economic relief
Geography: Massachusetts

POTENTIAL FUNDING EXAMPLE

Immediate principal and interest relief for a local food services company serving low income communities in Boston.

RISK CONSIDERATIONS

By design, 100% of capital will not be returned to granters, as it will be used for interest and principal forgiveness.

BOSTON IMPACT INITIATIVE BUSINESS RESILIENCE FUND



RECOVERABLE GRANT

Min. Investment:
\$25,000
Term: 3-year

DESCRIPTION

Nonprofit fund to provide low cost loans to minority-owned or -serving businesses in eastern Massachusetts to sustain operations in the face of Covid-19.

IMPACT

Provide low-cost capital to enable minority-owned businesses to participate in the post-pandemic recovery.

Beneficiaries: Small businesses and their employees
Focus: Economic relief
Geography: Massachusetts

POTENTIAL FUNDING EXAMPLE

Below-market loan to a minority-owned commercial laundry company that lost hotel customer base and is now supporting hospitals.

RISK CONSIDERATIONS

Lending to small businesses carries risks, which are amplified by the economic impact of Covid-19.

NEW CPCA COVID RECOVERY AND RESPONSE FUND



INVESTMENT

Min. Investment:
\$250,000
Term: 7-year

DESCRIPTION

Loan fund that provides working capital to support business disruption, unanticipated operating expenses, and transition to telemedicine resulting from the COVID-19 pandemic.

IMPACT

Aid healthcare centers in making necessary transformations amid the Covid-19 pandemic.

Beneficiaries: Health centers, their workers, and patients
Focus: Economic relief
Geography: California

POTENTIAL FUNDING EXAMPLE

Provide loan to a health clinic that requires the tools, personnel, and training to transition into telemedicine in order to effectively serve patients.

RISK CONSIDERATIONS

There is no guarantee that the full loan amount will be repaid by the end of the loan term. This risk is mitigated somewhat by a 5% top loss guarantee.

** Structure and terms are being finalized*

FAIR FOOD NETWORK FAIR FOOD FUND



INVESTMENT or RECOVERABLE GRANT

Min. Investment:
\$50,000
Term: 5-year

DESCRIPTION

Nonprofit fund that provides blended capital to innovative food entrepreneurs committed to improving community health by finding ways to increase broad access to better food.

IMPACT

Provide flexible financing to food entrepreneurs, including those serving underserved communities.

Beneficiaries: Financially underserved food entrepreneurs and their customers
Focus: Economic relief
Geography: Midwest and Northeast (incl. Detroit, Chicago, Boston, Camden NJ [future])

POTENTIAL FUNDING EXAMPLE

Provide funding and technical assistance to a minority entrepreneur whose kitchen provides meals to frontline workers at the Health Department of the City of Detroit and the Henry Ford Hospital.

RISK CONSIDERATIONS

Grants will be subordinate to the fund's notes. Additionally, fund investments are often early-stage ventures with limited operating history, a high degree of risk, and a lack of capital market access.

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NONPROFIT FINANCE FUND NYC COVID-19 RESPONSE FUND



RECOVERABLE GRANT

Min. Investment: \$100,000
Term: 5-year

DESCRIPTION

Nonprofit fund that will provide 12-36-month loans (\$100k-\$3M) to fill financing gaps for NYC-based nonprofits providing healthcare and other essential community services.

IMPACT

Keep NYC's essential nonprofits in operation so they can provide essential services to their communities.

Beneficiaries: Nonprofits, their employees, and communities
Focus: Economic relief
Geography: New York City

POTENTIAL FUNDING EXAMPLE

Loan to a nonprofit providing services to children of incarcerated parents to fill lost revenue from delayed permitting of new facility.

RISK CONSIDERATIONS

Loans are provided for delayed revenue from contracts or fundraising events; nonprofits assessed for strength of business model, do not qualify if operating in deficit in the recent past.

** Structure and terms are being finalized*

NY FORWARD LOAN FUND



RECOVERABLE GRANT

Min. Investment: \$250,000
Term: 6.5 years

DESCRIPTION

Special purpose vehicle that purchases loans from local CDFIs, providing affordable capital to small businesses, nonprofits, and landlords across New York state so they can retool and reopen.

IMPACT

Support New York's smallest businesses and nonprofits to preserve income and wealth opportunities in low-income communities.

Beneficiaries: Small businesses, nonprofits, and landlords serving low income areas
Focus: Economic relief
Geography: New York state

POTENTIAL FUNDING EXAMPLE

Provide an affordable loan to an entrepreneur of color so they can retool, reopen, and recover.

RISK CONSIDERATIONS

Unsecured lending to small businesses carries significant risk. This risk is mitigated by \$20 million of first-loss capital provided by two New York state agencies.

** Structure and terms are being finalized*

NEW TEXAS CLINIC EMERGENCY LOAN FUND



EPISCOPAL HEALTH
FOUNDATION

INVESTMENT or RECOVERABLE GRANT

Min. Investment: \$1m
Term: 3-year, with one 2-year extension

DESCRIPTION

Loan fund that provides Federally Qualified Health Centers in Texas with capital to bridge receipt of future revenues and improve operations to better serve incoming patients.

IMPACT

Support qualifying Texas clinics in business continuity and resiliency.

Beneficiaries: Healthcare clinics, their healthcare workers, and patients
Focus: Economic relief and resiliency
Geography: Texas

POTENTIAL FUNDING EXAMPLE

Provide a loan to a Federally Qualified Health center in Texas that needs equipment to improve efficiencies or adjust to a pandemic business model.

RISK CONSIDERATIONS

There is no guarantee that the full loan amount will be repaid by the end of the loan term. Loans underwritten to 3-year performance based on past financial performance. This may not reflect future financial health in the Covid era.

** Structure and terms are being finalized*

LONG-TERM RECOVERY FOR COMMUNITIES MOST IMPACTED

HABITAT MORTGAGE SOLUTIONS



INVESTMENT or
RECOVERABLE GRANT

Min. Investment:
\$100,000
Term: 5-year

DESCRIPTION

Fund that provides Habitat affiliates low-cost capital to fund the construction and sale of affordable homes built in part by their homeowners.

IMPACT

Allow Habitat affiliates to complete projects nationally and offer subsidized mortgages to homeowners.

Beneficiaries: Low-income families
Focus: Economic relief and recovery
Geography: United States

POTENTIAL FUNDING EXAMPLE

Loan to bridge the sales from a large multi-unit development in a major metro area affected by Covid-19 to begin constructing new and large affordable multi-family development.

RISK CONSIDERATIONS

Habitat affiliates reduce risk by securing lending against the mortgages on homes built, but there is a risk of capital lost.

MCE GLOBAL ECONOMIC OPPORTUNITY NOTES



INVESTMENT or
RECOVERABLE GRANT

Min. Investment:
\$100,000
Term: 3-5-7 year

DESCRIPTION

Low-risk note product that funds MCE's lending to microfinance institutions and small and growing businesses in 35+ emerging countries, backed by philanthropic guarantees.

IMPACT

Provide patient capital to support rural communities and small businesses disrupted by Covid-19.

Beneficiaries: Households and small businesses in rural communities
Focus: Economic relief and recovery
Geography: Emerging countries

POTENTIAL FUNDING EXAMPLE

Provide working capital to fund 200,000+ smallholder farmers in Zambia through COMACO, a partner that provides training in sustainable agricultural practices.

RISK CONSIDERATIONS

Portfolio of \$63m is backed by \$143m in guarantees from accredited investors, materially reducing the risk of loss to note holders. Guarantors are essential in allowing MCE to continue expanding its portfolio in this time of need.

NEW PURSUIT BOND 2.0



INVESTMENT or
RECOVERABLE GRANT

Min. Investment:
\$50,000
Term: 10-year, distributions starting year 2

DESCRIPTION

Nonprofit that identifies, selects, and trains low-income adults in creating thriving careers as software engineers through an intensive two-step, four-year training and coaching program

IMPACT

Close the U.S. prosperity gap by training underserved adults as software engineers to increase their income.
Beneficiaries: Low-income adults and those without college degrees
Focus: Education, training, upskilling
Geography: New York City (currently) with plans for national expansion

POTENTIAL FUNDING EXAMPLE

Income share agreement provided to a blue-collar factory worker to upskill with Pursuit and obtain a developer job, increasing her salary by 4x.

RISK CONSIDERATIONS

While Pursuit has taken a number of steps to reduce risk (e.g. diversifications across cohorts alongside a guarantee, risk- and Covid-adjusted projections), a prolonged economic downturn could negatively impact returns.

NEW | SAN JOAQUIN VALLEY IMPACT INVESTMENT FUND



SIERRA HEALTH
FOUNDATION

INVESTMENT

Min. Investment:
\$500,000
Term: 7-year

DESCRIPTION

Loan fund that offers flexible capital to CDFIs and other experienced development organizations to advance long-term support for inclusive communities.

IMPACT

Ensure continuity of critical financing and health-promoting services for those in greatest need in San Joaquin Valley.

Beneficiaries: Low-income communities
Focus: Economic relief and recovery
Geography: San Joaquin Valley, California

POTENTIAL FUNDING EXAMPLE

Provide capital to a community-focused lender that serves underbanked small businesses and households across the San Joaquin Valley and California.

RISK CONSIDERATIONS

There is no guarantee that the full loan amount will be repaid by the end of the loan term. Targeting capital to high performing CDFIs and development partners, as well as loan loss reserves, provide some protection against loan loss.

SDS SUPPORTIVE HOUSING FUND

SDS

CAPITAL
GROUP

INVESTMENT

Min. Investment: \$3m
DAF Min. Investment:
\$300,000
Fees: 1.65% scale down
to 1.35% with AUM
Term: 9-year

DESCRIPTION

Real estate fund that finances construction for new multi-family housing developments exclusively serving individuals and families suffering from homelessness in California.

IMPACT

Provide 1,000+ units of permanent housing with on-site healthcare services to low-income neighborhoods.

Beneficiaries: Homeless individuals and families
Focus: Economic relief and recovery, healthcare
Geography: California, with a focus on Los Angeles, San Diego, Bay Area

POTENTIAL FUNDING EXAMPLE

Provide capital towards the construction of a new supportive apartment complex for homeless individuals in Los Angeles County.

RISK CONSIDERATIONS

The fund finances one developer (RMG Housing). Core risks have been underwritten; results shared with investors. Delays, cost overruns, terms of exit or other factors can reduce returns.

SOCIAL FINANCE UP FUND



INVESTMENT or RECOVERABLE GRANT

Min. Investment:
\$250,000
Fees: 1.5%
Term: 10-year

DESCRIPTION

Nonprofit fund that invests in upskilling and technical training programs serving low-income individuals paid for through responsible income sharing agreements (ISAs).

IMPACT

Accelerate upskilling to help individuals retrain and gain technical skills for a new career after the Covid-19 pandemic.

Beneficiaries: Unemployed or underskilled workers
Focus: Education, reskilling
Geography: United States

POTENTIAL FUNDING EXAMPLE

Investment to fund a nursing training program for candidates with an average pre-program wage of \$13,000/year, providing attractive repayment terms after gaining employment

RISK CONSIDERATIONS

Diversification across various training programs reduces the risk of capital loss. Prolonged economic downturn could result in a more delayed payback and negatively impact returns.

WATEREQUITY GLOBAL ACCESS FUND



WATEREQUITY™

INVESTMENT or
RECOVERABLE GRANT

Min. Investment:
\$100,000
Fees: 2%
Term: 7-year +1 +1

DESCRIPTION

Nonprofit fund that lends to microfinance institutions to fund water and sanitation to low-income communities, helping reduce the future spread of diseases.

IMPACT

Increase water access and sanitation, which are crucial for reducing the long-term spread of Covid-19 and other diseases.

Beneficiaries: Families and communities in developing countries
Focus: Healthcare outcomes
Geography: Developing countries

POTENTIAL FUNDING EXAMPLE

Loan to a microfinance institution in Indonesia running a water and sanitation lending program, which in turn provides a \$200 loan to a family to put a tap into their home.

RISK CONSIDERATIONS

While Water Equity has comprehensive underwriting criteria, lending to small businesses and families in emerging markets carries risk, which may result in a loss of capital.

For more information regarding targeted investment returns, please contact our team at info@capshift.com.

If you're interested in learning more about one of these opportunities or in learning what else might be available, please visit www.capshift.com/covid19, email info@capshift.com, or call us at 617-865-5096.

Risk considerations of opportunities outlined in this sourcing report are provided for guidance only and may change with new information. All recoverable grants and investments carry risk of capital loss, and this risk increases in a prolonged economic downturn caused by Covid-19. Please consult each issuer's detailed risk disclosures for more information on risks.

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