REDF IMPACT INVESTING FUND (RIIF)

Formed by REDF in response to the demand for flexible capital, REDF Impact Investing Fund’s (RIIF) mission is to provide financing paired with capacity-building support to nonprofit and for-profit employment social enterprises to strengthen their financial sustainability and grow their businesses so they can employ and equip more individuals striving to chart a new course in life.

INVESTING IN PURPOSE-DRIVEN BUSINESSES

RIIF makes loans to mission-driven, revenue-generating businesses nationwide that provide paid, transitional and/or permanent jobs and wraparound services to individuals striving to overcome employment barriers, including:

- Justice System Involvement
- Homeless/Unstably Housed
- Mental Health/Substance Use Challenge
- Refugee/Asylee
- Domestic Violence and/or Trafficking
- Opportunity Youth/Emerging Adult

WHY PARTNER WITH RIIF?

- **Flexible capital and loan terms** to grow, seize new opportunities, and better serve employees
- **Specialized technical assistance**, informed by 25 years of venture philanthropy experience, for one discrete project during the life of the loan
- **Variety of loan products** including working capital term loans, lines of credit, and bridge loans
- **Access to REDF resources**, opportunities and national network of partners
- **Commitment to expand share of borrowers that are led by people of color** and/or people who have experienced employment barriers

ELIGIBILITY CRITERIA

- Minimum 3 Years in Operation
- Historical profitability with growing profit margins
- Positive Revenue Growth
- Strong Management Track Record
Typically 60-90 days from initial conversation to loan closing, depending on complexity of the loan, capital stack, and availability of information needed to underwrite.

RIIF’s Lending Process

We are with you every step of the way to help you navigate the loan process.

Timing

1. Exploratory Conversation
2. Screening: Mission & Portfolio Fit
3. Invitation: Loan Applications
4. Preview Memo Approval
5. Issue Term Sheet
6. Underwriting & Due Diligence
7. Loan Approval
8. Loan Closing

Overview of Initial Due Diligence Requests:

- Provide a brief introduction to the social enterprise and plans for growth
- Explain the purpose of the loan funds
- Prepare snapshot of financial performance
- Provide overview of operational history
- Provide leadership & board bios
- Describe the potential loan’s impact

RIIF offers loans in amounts that correspond to the organization’s need, creditworthiness, and ability to hire individuals with significant barriers to employment. Our loans typically range from $100k to $1M. Smaller or larger loan sizes are considered on a case-by-case basis.

Loan Terms

- Term Loans: 2-7 Years, Potential for Interest-Only Period
- Bridge Loans: 6-12 Months
- Lines of Credit: 12 Months, Potential for Renewal

Loan Origination Fees:

- >$200,000: 1.0-1.25% of total loan amount;
- <$200,000: $2,500

Closing Costs Fee:

Up To $2,500

Interest Rates

Typically 6.75-7.75%

No Prepayment Penalties

Interested in learning more about our Impact Lending Program?
Please contact Emilie Linick, Director of Impact Lending, at elinick@redf.org
For more information visit redf.org/RIIF