

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

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
6.75-7.25%**

**No
Prepayment
Penalties**

LOAN SIZE

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.

RIIF'S LENDING PROCESS



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

TIMING

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.

- 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

INTERESTED IN LEARNING MORE ABOUT OUR IMPACT LENDING PROGRAM?
Please contact Emilie Linick, Senior Director of Impact Lending, at elinick@redf.org
For more information visit redf.org/RIIF

