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Social Impact Fund - Application Overview

OBJECTIVES:

What is London Community Foundation looking for in a borrower?

A wide range of skills, experience and financial resources are required to successfully complete a project. In addition a lot of groundwork is required before a project can be presented to London Community Foundation as we do not have the resources or staff to help a group in developing a workable plan. The following is a short list of things that London Community Foundation must see demonstrated in an application:

Expertise – the applicant must demonstrate either that its staff/board has sufficient skills in the community.

Financial planning – the applicant must show that the project and the organization have long term financial and managerial stability.

Organizational Resources – the organization must have the internal resources (both financial and personnel) to see the project through.

Financial Soundness – the applicant's current operations are financially sound.

Although all documentation may not be finalized at the beginning of the application process, applicants must be aware that this documentation is required before any loan can be finalized (refer to Master Checklist). Estimates and assumptions must be verifiable by a third party.

THE APPLICATION PROCESS

Prior to completing the application, a pre-application meeting is held between Community Foundation staff member and interested applicant(s). Please contact the Foundation at 519-667-1600 to set up an appointment.

Loan Selection Criteria

Each loan is unique and it is always a challenge to use standard evaluation and measurement tools when assessing the quality of a loan. Loan applications will be evaluated using the following social and financial guidelines.

Social Guidelines

- a) Contributes to [LCF's Vital Signs](#)
- b) Addresses at least one [UN Social Development Goals](#)
- c) Connects to [London Community Foundation's mission and values](#)

Financial Guidelines

- a) Financial viability of project
- b) Underwriting – loan to value, prior debt, debt servicing and debt coverage
- c) Other sources of equity and debt required – availability, obligations, timing

The project must have a clear social mandate. If there is no social merit to the project, it will be declined.

If you meet the above criteria, please complete the application below and provide the documentation outlined on our Master Checklist. If materials are not available, an explanation as to “why” is required.

LCF will respond within 60 days of receipt of completed application and documentation and advise of next steps.

DATE OF SUBMISSION:

SECTION A: ORGANIZATION INFORMATION (Tell us about your organization)

(Legal) Name of Organization:

Address:

Telephone: Email:

CCRA Registration/BN: Website:

Year Incorporated or Organized:

Non-Profit: For-Profit: Private: Other:

Geographic Area of Incorporation:

PRIMARY CONTACT

Name:

Position:

Telephone:

Email:

SECONDARY CONTACT

Name:

Position:

Telephone:

Email:

Organization Background:

MISSION & IMPACT

What is the core mission of the enterprise? What other externalities does the enterprise create? Consider financial, natural, human systemic, physical, intellectual, civic and other factors.

SECTION B: PROJECT PITCH:

Project Name:

Explain your project and how London Community Foundation can help.

a) Provide further information of the project that may include of numbers of units, timelines and any foreseen risks.

b) What is the social benefit of the project? Clarify both the social impact and the intended outcomes.

Please specify what areas of the UN Sustainable Development Goals (SDG) your project impacts. <https://www.un.org/sustainabledevelopment/sustainable-development-goals/>

c) Who are the customers/intended beneficiaries/populations served, how big is the market and the need?



SECTION C: INVESTMENT PROPOSAL

Amount of loan requested:

Term Requested:

Terms of repayment: (interest only monthly, balloon pmt. at maturity, amortized)

Timing of Disbursements:

Security Proposed:

Are Guarantor(s) available, if required?:

Do you have an exit strategy that clearly demonstrates how LCF's Social Impact Fund will recoup its investment at any stage in the event that the project does not proceed?

SECTION D: CREDIT INFORMATION

Where does your organization bank?

Do you have other loans, mortgages, credit lines (provide particulars)?

Please note, we may require credit confirmations at a later stage in the approval process.

ORGANIZATIONAL CAPACITY

In order for London Community Foundation to assess your request for financing, we need to understand your organization's financial and operating capacities. Please attach (if unable to provide document, please attach explanation regarding why this is unavailable), title as requested (see alphanumeric combos below), and check the following:

Main Requirements:

- ⇒ M1: Business Plan that includes the history of the organizations operation
- ⇒ M2: Your most recent internal operating statement and balance sheet (within three months)
- ⇒ M3: Capital Budget
- ⇒ M4: Operating Budget

- ⇒ M5: Financial statements (audited) for the last three years
- ⇒ M6: Cash flow projections of the project
- ⇒ M7: All existing debt/mortgage agreements, including commitment letters or terms of other loans or credit facilities
- ⇒ M8: Support for value of proposed security (e.g. official appraisal of property, net worth statement, etc).
- ⇒ M9: Letters of support from partners
- ⇒ M10: Board structure and member bios
- ⇒ M11: Support for signing authority
- ⇒ M12: Organizational Chart

Housing Loan Requirements:

- ⇒ H1: Purchase & Sell Agreement
- ⇒ H2: Environmental Letter or Assessment
- ⇒ H3: Letter of Patent
- ⇒ H4: Land Registrar
- ⇒ H5: Council Resolution (Zoning)
- ⇒ H6: Certificate of Incorporation
- ⇒ H7: Property Tax Updated Reported
- ⇒ H8: Municipal Contribution Agreement
- ⇒ H9: Construction Timeline

The name of the lawyer (if applicable) who will be representing if this application is successful

Name:

Telephone:

Email:

REFERENCES

List names, addresses, phone numbers and email addresses of three references that know of your organization's work. You may also attach relevant testimonials. (Indicate whether business or personal and how they know about your organization.)

1. Name:

Address:

Telephone: Email:

2. Name:

Address:

Telephone: Email:

3. Name:

Address:

Telephone: Email:

Please note: If the project is a construction type, an appraisal of the property and/or a Phase One Environmental Assessment may be required).

THE DECISION-MAKING PROCESS

A volunteer selection committee will deliberate on short-listed applications and final loan decisions will be made and passed by London Community Foundation Board of Directors. Confirmation of the status of declined applications and feedback on proposals will be available once all final decisions are made.