



7 Wall Street, Concord, NH 03301
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Impact, flexibility, safety

Why individuals invest in the New Hampshire Community Loan Fund

Social impact: Individuals see an investment in the Community Loan Fund as an efficient and meaningful way of helping New Hampshire families with low and moderate incomes attain housing, jobs and child care.

Your choice of terms: Investors can invest as little as \$1,000 or as much as \$500,000 and choose terms as short as one year or as long as 25 years. Investors receive a fixed-rate annual simple interest return of up to 2% for loans of one year, up to 3% for loans of two or three years, up to 4% for loans of four to nine years, and up to 5% for loans of 10 years or longer. (Many investors choose rates below the maximum.)

Safety: Individuals appreciate that the Community Loan Fund has an unblemished record of repayment to investors – through good and bad economic times. Investments in the Community Loan Fund are protected by our significant equity reserves and our excellent history of repayment from borrowers. Your funds are added to our approximately \$60-million lending pool: The risk is shared, and an investor's funds will not be dedicated to any single project or sector. If one of our projects happens to go bad, your funds will not be affected.

Trusted financial intermediary: The Community Loan Fund was recently awarded the highest national honor given in our field: the 2009 Wachovia NEXT Award for Opportunity Finance. We have consistently received a sterling AAA+2 rating from CARS™, the national rating service for community investing, which measures community impact and financial soundness.

Fixed-income investment class: Investments with the Community Loan Fund are straightforward and uncorrelated to traditional fixed-income instruments. You will earn simple annual interest, regardless of the ups and downs of the bond market.

Your investment joins many others: We have more than 300 individual investors, from around New Hampshire and across the United States. Other investor categories include banks, foundations, religious organizations, governmental agencies, and nonprofit organizations.

Term of years: Your investment will have a fixed maturity date and can be rolled over or paid out upon maturity, at your discretion.

Next steps: To discuss how you can invest in the Community Loan Fund, please contact Sally Hatch, (603) 856-0716 or shatch@communityloanfund.org.

LOAN AGREEMENT

This is a LOAN AGREEMENT by and between the "Lender" indicated below and the New Hampshire Community Loan Fund, Inc., a nonprofit voluntary corporation organized under the laws of the State of New Hampshire ("Borrower"), whose address is 7 Wall Street, Concord, New Hampshire 03301, made and entered into this «Original_Loan_Date».

Lender: «LegalPNoteName»
Lender's SSN/EIN: «FormatTaxID»
Lender's Address: «CompanyName»
«Address1» «Address2»
«City», «State» «ZIP»

WHEREAS, the Borrower is organized for these purposes:

1. "To provide access to housing and productive resources for lower income households and other disadvantaged people;
2. To conduct public discussion groups, forums, panels, lectures, and other similar programs designed to educate the public about the benefits of housing and employee cooperatives and other such programs directed at the financing needs of such cooperatives;
3. To support the development of a stable and productive economic base in and for local communities and thereby relieve the burdens of government;
4. To create alternative models of financing for community economic development which encourage investment by local community organizations, churches, and individual residents, and promote greater responsiveness to community and low income needs on the part of conventional lending institutions through:
 - A. Direct lending to community based development projects;
 - B. Loan referral, packaging, and management assistance for potential lenders and borrowers;
 - C. Technical assistance to community based not-for-profit and cooperative organizations in developing their own management capabilities; and
5. To conserve and enhance the quality and productivity of land and natural resources, while ensuring that low and moderate income people share in the use and enjoyment thereof."

WHEREAS, the Lender shares these purposes and desires to support the Borrower and various other community organizations in their activities in furtherance of these purposes; and

WHEREAS, the Borrower desires to borrow XX Thousand Dollars (\$«Amount») for use by the Borrower in making loans, and the Lender desires to lend this amount for this purpose:

NOW THEREFORE, the Borrower and the Lender agree as follows:

1. This Loan Agreement takes effect upon the Borrower receiving the Lender’s funds. The Lender shall provide the Borrower with a loan for the following amount, under the following terms, evidenced by the Borrower with a Promissory Note of this same date issued and delivered to the Lender:

Loan Amount: XX Thousand Dollars (\$«Amount»)
Interest Rate: XX Percent («RateFormat») per annum
Payment Schedule: Interest payments: «InterestPayMethod»
 «InterestPaySchedule» «PayDay1» «PayDay2» «PayDay3»
 «PayDay4» beginning MONTH XX, 20XX until principal is repaid.
Principal: «MaturityDateFormat»

2. The Lender may increase the principal of this loan from time to time. Additions to the loan principal shall be made according to the terms of this loan. All new funds must be held by the Borrower for at least the minimum number of years needed to qualify for the rate established in this loan, according to the rate schedule at the time of the additions. Additions shall be evidenced by an Amendment to Loan Agreement and Promissory Note signed by the Borrower, and sent to the Lender at the Lender’s address or such other mailing address as Borrower may be instructed. Any such Amendment shall be appended to this Loan Agreement.
3. The Borrower will send a Notice of Maturing Loan approximately two (2) months before the scheduled maturity date, and may at that time request the Lender to renew/extend the term of the Note. The Lender will evidence her/his/its desires regarding either the repayment of the loan or the extension/renewal/change of terms of the loan by completing and returning the Notice of Maturing Loan form to the Borrower. By her/his/its signature on that form, the Lender will instruct and authorize the Borrower to either repay the loan when scheduled, or amend the terms as indicated and issue an Amendment to Loan Agreement and Promissory Note to the Lender. If the Borrower does not receive an executed Notice of Maturing Loan by the scheduled maturity date, then this loan will remain in effect on a day-by-day basis under the same terms as those indicated in this Loan Agreement.
4. The Borrower may prepay in whole or in part the principal amount of the loan without penalty.
5. This Loan Agreement shall be governed by the laws of the State of New Hampshire.
6. Interest shall be calculated on the basis of a year of 360 days comprised of twelve 30-day months, and actual days elapsed for periods of less than one calendar month.

IN WITNESS WHEREOF, Borrower and Lender have issued this Agreement to be executed this «Original_Loan_Date»:

New Hampshire Community Loan Fund, Inc.
 Borrower
 By: _____

«LegalPNoteName»
 Lender
 By: _____

Witness: _____

Witness: _____

SAMPLE ONLY - property of NH Community Loan Fund

1. AUTHORIZATION TO PUBLISH NAME, OR ANONYMITY PREFERENCE

Endorsement of the Loan Fund by our lenders is extremely helpful in attracting other interested people to become lenders and/or contributors. This endorsement establishes credibility and represents the broad community support necessary for the Loan Fund's effectiveness. The amount and details of the loan will not be disclosed, nor will your mailing address; only your name, as indicated below, will be used.

List my/our name as a lender to the Loan Fund as _____

Keep my/our status as a lender confidential.

Signature: _____ Date: _____

SAMPLE ONLY-property of NH Community Loan Fund

PROMISSORY NOTE

US \$«Amount»
NHCLF «LoanNumber»

Concord, New Hampshire

Date: «Original_Loan_Date»

Lender: «LegalPNoteName»
Lender's Address: «CompanyName»«Address1» «Address2»
«City», «State» «ZIP»

Borrower: **New Hampshire Community Loan Fund, Inc.**
Borrower's Address: **7 Wall Street**
Concord, New Hampshire 03301

Principal Amount: _____ **Thousand Dollars (\$«Amount»)**

Interest Rate: _____ **Percent («RateFormat») per annum**

Repayment Schedule: **Interest payments:«InterestPayMethod» «InterestPaySchedule»
«PayDay1»«PayDay2»«PayDay3»«PayDay4», beginning on MONTH
XX, 20XX until principal is repaid.
Principal: «MaturityDateFormat»**

For value received, the undersigned Borrower hereby promises to pay to the Lender, or order, at the Lender's Address or such other place as the Lender may designate, interest only on the Principal Amount at the Interest Rate, according to the Repayment Schedule of this Note until payment in full of the Principal Amount and all unpaid and accrued interest thereon on or before the maturity date specified in this Note and the Loan Agreement of this same date, as may be hereafter amended. Borrower may prepay the principal amount in whole or in part at any time without penalty. This Note shall be binding upon the Borrower and its successors and assigns.

Any notice to Borrower provided for in this Note shall be given by mailing such notice by certified mail, return receipt requested, to Borrower at Borrower's Address as specified above or to such other address as Borrower may designate by written notice to the Lender at the Lender's Address as specified above, or at such other address as may have been designated by written notice to Borrower.

This PROMISSORY NOTE shall be governed by the laws of the State of New Hampshire.

Signed, sealed, and witnessed in the presence of:

New Hampshire Community Loan Fund, Inc.

Witness

By:

Sally S. Hatch
Director of Investor Relations