

## Appendix D: Summary of Investment Types

INVESTMENT SOURCE	INVESTMENT TYPE	APPROACH	CONSIDERATIONS
<b>BANKS</b>	GRANTS SPONSORSHIPS LOC EQ2 SENIOR DEBT	<ul style="list-style-type: none"> <li>• Start small w/ request for sponsorships, operating grants</li> <li>• Build financial and lending strength before asking for lending capital</li> </ul>	<ul style="list-style-type: none"> <li>• Highly numbers focused</li> <li>• Stringent underwriting process</li> <li>• Limited reporting</li> <li>• Can be larger amounts</li> <li>• Funds usually unrestricted in terms of lending</li> </ul>
<b>TRIBES/TRIBAL ORGANIZATIONS</b>	GRANTS CONTRACT FOR SERVICES DEBT GUARANTEES	<ul style="list-style-type: none"> <li>• Demonstrate competency</li> <li>• Build connections</li> <li>• Identify best partner entity</li> <li>• Show benefit to tribal community</li> </ul>	<ul style="list-style-type: none"> <li>• Politics—strings attached</li> <li>• Limited underwriting and reporting</li> <li>• Funding tailored to Native CDFI needs</li> <li>• Usually restricted funds for tribal members</li> </ul>
<b>FOUNDATIONS</b>	GRANT PRI	<ul style="list-style-type: none"> <li>• Identify appropriate person to build relationship</li> <li>• Tell your story</li> <li>• Demonstrate fit with foundation priorities</li> </ul>	<ul style="list-style-type: none"> <li>• Highly relationship driven</li> <li>• Underwriting more stringent for PRIs</li> <li>• More flexibility</li> <li>• Impact focused</li> <li>• Applications and reporting typically simpler</li> <li>• Usually restricted funds</li> </ul>
<b>FEDERAL</b>	GRANTS DEBT	<ul style="list-style-type: none"> <li>• Build good programmatic foundation</li> <li>• Have a plan for growth or addition of services</li> <li>• Write a strong application</li> </ul>	<ul style="list-style-type: none"> <li>• Larger amounts of multi-year funding available</li> <li>• Less numbers focused</li> <li>• Activity, outcome focused</li> <li>• Applications can be complex</li> <li>• Extensive reporting</li> <li>• Restricted funds</li> <li>• Much less relationship driven</li> </ul>

<b>INVESTMENT SOURCE</b>	<b>INVESTMENT TYPE</b>	<b>APPROACH</b>	<b>CONSIDERATIONS</b>
<b>CDFI INTERMEDIARY</b>	GRANTS DEBT	<ul style="list-style-type: none"> <li>• Identify intermediary with funding that meets your needs</li> <li>• Talk to the appropriate person within the org to get started</li> </ul>	<ul style="list-style-type: none"> <li>• More flexible</li> <li>• May have free TA or small grants available</li> <li>• Typically higher cost loans</li> </ul>
<b>CORPORATIONS</b>	CONTRIBUTIONS SPONSORSHIPS	<ul style="list-style-type: none"> <li>• Find marketing/PR person for larger businesses</li> </ul>	<ul style="list-style-type: none"> <li>• Unrestricted funds</li> <li>• Application and reporting almost non-existent</li> <li>• Usually smaller funding amounts</li> <li>• May have to educate biz about CDFI</li> <li>• Provide PR opportunities</li> </ul>
<b>INDIVIDUALS</b>	DEBT	<ul style="list-style-type: none"> <li>• Can approach high wealth individuals you have connections to, or conduct individual outreach campaign</li> </ul>	<ul style="list-style-type: none"> <li>• Unrestricted, flexible funds</li> <li>• No application</li> <li>• No reporting (but stay in touch)</li> <li>• Short-term</li> <li>• Time consuming to develop and manage</li> </ul>
<b>RELIGIOUS INSTITUTIONS</b>	GRANTS DEBT	<ul style="list-style-type: none"> <li>• Identify ROs that serve your geographic area, identify appropriate contact person</li> <li>• Tell your story</li> </ul>	<ul style="list-style-type: none"> <li>• Application and reporting are very simple</li> <li>• Lending investments are unsecured and unrestricted</li> <li>• Usually very low cost funds</li> <li>• Often required to have majority low-income people on the board</li> <li>• May require you complete strategic plan or training</li> <li>• Investments are often shorter-term</li> </ul>

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<b>INSTITUTIONAL INVESTORS</b>	DEBT	<ul style="list-style-type: none"> <li>• Work in collaborations with close partners to press for larger investment</li> <li>• Anticipate a formal presentation to their Board</li> </ul>	<ul style="list-style-type: none"> <li>• Much larger investments</li> <li>• Difficult to access for small CDFIs</li> <li>• Look for socially minded investors</li> </ul>