

INVESTING IN OUR COMMUNITY

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INVESTING 101

PRINCIPLE – The ASSET being invested (e.g. Money, Time, Skill, Emotional Energy)

LIQUIDITY – How long until you get your PRINCIPLE back. Also referred to as TERM

RISK – The factors which might cause loss of all or part of the PRINCIPLE.

Consider ways to Mitigate the RISK

Diversification

Collateral

Insurance

RETURN – What you get as a result of your INVESTMENT

MONETARY RETURN – Also called YIELD (often expressed as a percentage of the PRINCIPLE)

Interest on a DEBT asset (e.g. Savings Account; CD; Bond; Personal Loan)

Appreciation of an EQUITY asset (e.g. Stocks, Mutual Funds, Real Estate, Collectables, etc.)

INVESTING 301

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SOCIAL IMPACT – Achievements of the non-profits, local businesses or interest groups (e.g. Whidbey Climate Action!) to which you've contributed

PERSONAL EMOTIONAL SATISFACTION – Any investment that makes you FEEL GOOD (or, at least a little better)

DECIDING ***WHICH*** INVESTMENT

There are so many ways you can invest your
Money, Time, Expertise, Emotional Energy

What are your GOALS?

Safety

Financial Return

Social Impact

Personal Satisfaction

How do you weight each of these goals for a particular investment?

These are **personal** decisions.

IF YOU HAVE MONEY THAT YOU WOULD LIKE TO PUT TO
WORK PRIMARILY FOR

SOCIAL BENEFIT and/or

PERSONAL SATISFACTION,

CONSIDER:

WHIDBEY COMMUNITY FOUNDATION

www.whidbeyfoundation.org

DONOR ADVISED FUND – Fully tax-deductible in year started.

Endowed – Intended to last “forever.” You make grant 4-6% of balance each year

Non-Endowed – You may make grant(s) of any size at anytime

FIELD OF INTEREST FUNDS – e.g. Whidbey Climate Fund, Affordable Housing Fund, etc.

IMPACT INVESTING FUND – “Socially **impactful** and financially **prudent**”

Loans to Non-Profits

Loans to For-Profit Local Businesses -- through Realize Impact

FOUNDATION FUND – Supports the mission of WCF including Annual Grant Cycle

WHIDBEY ISLAND LOCAL LENDING (WILL)

PEER-TO-PEER LENDING – Assumes a pre-existing relationship between borrower and lender

PUBLIC MEETINGS – Potential Borrowers introduce themselves and their business ideas and financial needs

NEGOTIATIONS – Interested Lenders meet privately with Borrower

Borrower presents Business Plan and supporting financial documents
Amount and terms of loan(s) are established
Promissory Note signed and loan is made

Lender is solely responsible for vetting the loan and assumes all the **RISK**

WHIDBEY ISLAND LOCAL LENDING (WILL)

Started in 2014

Informal Statistics

Over \$2.4 Million in loans

30+ businsses

>100 jobs created or saved

About 90% of all loans have been paid in full

Real Estate

Uniforms for carpet cleaner

Start a Magazine

Bagel oven

Latin Bistro

Physical Therapy practice

medical practice

Tap room

Printing/office supplies

Art boutique

Catering/cooking school

Arborist

Hip café

Geodomes

Print art studio

Glass art studio/residence

Hydroponic lettuce

Oven-proof pottery

Bakery

Solar electrical generation

Marijuana dispensary

Bike tours

Pickles

LET'S CONTINUE THE CONVERSATION...