

MONTANA IMPACTING INVESTING FAQ

What is Impact Investing?

Impact Investing is an investment strategy that aims to generate social benefits in addition to financial gains. The point of Impact Investing is to use investment capital for positive social results and financial returns.

Who is eligible for this program?

Eligible applicants include:

- Non profit organizations. Mission-aligned for-profit entities may be considered.
- MCF will make both direct investment and investments to intermediaries.
 - Intermediary organizations are organizations that receive investment dollars and then re-lend those to businesses, nonprofit organizations, and individuals. Intermediaries offer geographic and subject area expertise which will help align strategies and local issues. Examples of intermediaries include Community Development Financial Institutions (CDFIs) and Certified Regional Development Corporations (CRDCs)

Can my organization participate in the 2025 investment cycle?

Preapplications and applications are accepted by **invitation only** for the 2025 investment cycle.

What will MCF Impact Investing Support?

MCF will make investments across Montana that:

- Emerge from communities in relationship and partnerships with MCF;
- Support communities struggling with disinvestment, including, but not limited to rural places, tribal communities, or regions experiencing population loss;
- Serve Montanans broadly or specific populations of focus including Seniors, Native Americans, youth, women, unhoused Montanans, or Montana's asset limited, income constrained and employed residents;
- Align with resident goals and aspirations and community visions and plans; and
- Aligns with MCF Impact Areas.

What does MCF offer through its investment program?

MCF offers loan opportunities ranging from \$100,000 to \$1,000,000, with a preferred repayment term of no more than 10 years and competitive interest rates. While loan renewals are generally not preferred, they may be considered on a case-by-case basis.

At this time, MCF does not provide non-refundable grant funding for investments.

How will investments be selected?

The Impact Investment Advisory Committee will identify and evaluate investment opportunities. Investments will be evaluated based on their ability to meet objectives set forth in the investment program guidelines. Impact, Financial Return, and Risk are part of the evaluation criteria.

- Investment serves seniors, Native Americans, youth, women, unhoused Montanans, or Montana's asset limited, income constrained and employed residents.
- Investments that serve communities struggling with disinvestment, including, but not limited to, rural communities, tribal communities, or regions experiencing population loss.
- Investments that serve many residents.
- Investments that serve the state broadly.
- Investments that are catalytic or promote greater impact.
- Investments that are aligned with community plans.

How much will MCF invest in Montana?

MCF will invest up to 5% of its pooled investment portfolio in Montana investment opportunities. This currently equates to approximately \$6.5 million to be invested over the next five years.