



COMMUNITY
FORWARD
FUND

IMPACT REPORT
2019



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PREFACE & METHODOLOGY

PREFACE

At Community Forward Fund (CFF), we are passionate about enabling and strengthening the mission of non-profits, charities and social enterprises. While our borrowers are constantly creating impact in their communities, this report is part of maintaining accountability to our mission and demonstrating our impact to current and future investors and borrowers. This report provides an assessment of loans in the CFF portfolio as of December 31st 2019. We have also provided a summary of the overall impact of CFF lending since fund inception.

METHODOLOGY

CFF holds a diverse portfolio of loans. In order to track the impact of our borrowers, we categorize investments in one of eight sectors based on the borrower's core mission or business. These are the Arts; Agriculture, Food & Fisheries; Environment; Financial Services; Health; Housing; Social Enterprise, and Social Services.

Within each sector noted above, one to four standard metrics are identified as relevant to the investment. These metrics are selected from IRIS+, an initiative of the Global Impact Investing Network (GIIN) that is dedicated to increasing the scale and effectiveness of impact investing. IRIS+ created standardized impact measurement metrics in order to support the transparency, credibility and accountability of organizations making a difference (IRIS+, 2018).

These impact metrics have also been designed to align with the United Nations Sustainable Development Goals (SDGs) and offer an aggregated view of the impacts of CFF investments using a framework that allows a qualitative assessment against other impact investment reports that track progress toward the SDGs.

In addition to the standardized, sectoral metrics, each organization identifies up to three organization- or project- specific goals and metrics that they will track. These organization- or project- specific metrics provide the individual organizations with the flexibility to showcase other goals that are important and specific to the core of their mission that otherwise would have been missed with the standardized measures. These are highlighted in individual case studies.

PREFACE & METHODOLOGY

IMPACT MATRIX

Many of CFF's borrowers are impacting their communities across a range of different sectors. In order to account for this impact but also not overstate it, we have categorized our borrowers by both the sector in which they primarily operate ("borrower's sector"), as well as the sector(s) in which their financed project has an impact ("project sector"). On the sector specific pages of this report, the '2019 Borrowing' data reflects our borrowers' sectors. The '2019 Impact' data aggregates impact across all project sectors.

	Arts	Environment	Financial Services	Health	Housing	Social Enterprise	Social Services
Alfred Haenchen Co-operative Homes					◆◇		
Artscape Launchpad & Youngplace	◆◇		◇		◇		
The Astra Society of Hamilton & District		◇		◇	◆◇		◇
Blood Ties Four Directions Centre Society					◇		◆
Cambridge Kiwanis Village					◆◇		
Canadian Centre for International Justice							◆◇
Dundas County Hospice				◆◇			
Four Feathers Housing Co-operative					◆◇		
Fredericton Boulderling Co-operative						◆	
Funeral Co-operative of Ottawa Inc.						◆◇	
Habitat for Humanity Greater Toronto Area					◆◇		
Habitat for Humanity Greater Ottawa					◆◇		
Halam Park Housing Co-operative					◆◇		
Heartwood House						◆◇	
Hope's Home				◇	◇		◆◇
Indwell Community Homes					◆◇		
NECTAR	◆◇						
Peg City Car Co-operative						◆	
Pegasus Community Project							◆◇
Rural Ottawa South Support Services				◇			◆◇
SOLIDES					◆◇		
Tucker House Renewal Centre		◇				◆	
Ulnooweg Development Group			◆◇				

Legend

- ◆ Borrower sector: Sector in which the organization primarily operates; borrower's core mission or business
- ◇ Project sector: sector in which the financed project produced impact

Note: Where possible, Community Forward Fund has reported the direct impact proportional to its contributed financing. However, in several cases, where Community Forward Fund provided essential and catalytic financing, the reported impact reflects that of the entirety of the project.

FUND OVERVIEW: 2012 - 2019

The Community Forward Fund was established in 2012 to provide innovative financing to community organizations across Canada. CFF provides loans to non-profit and charitable organizations to enable their mission of providing long-term community benefit.

HIGHLIGHTS

\$15.69M loaned to diverse organizations

\$9.76M of loaned capital repaid



loans placed in **8** provinces and territories

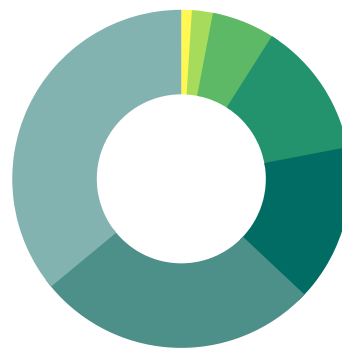


50% of loans to non-profits
50% of loans to charities



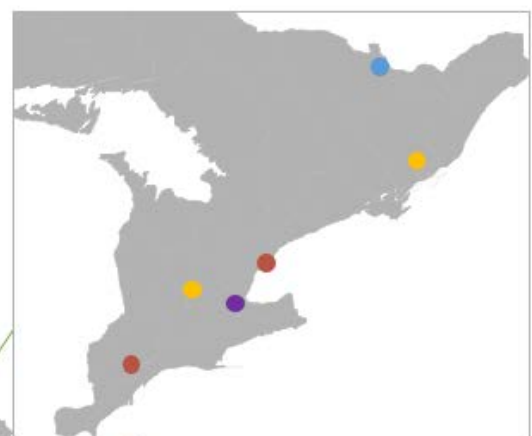
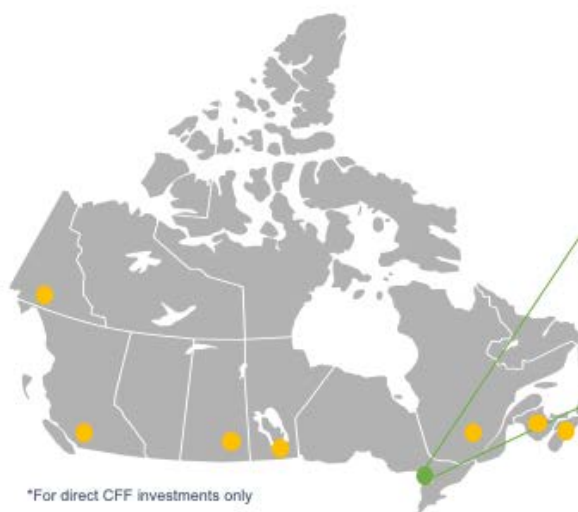
47 loan transactions to over 41 unique charities, non-profits and social enterprises

BORROWER SECTOR BREAKDOWN



- 1%** Health
- 2%** Environment
- 6%** Financial Services
- 13%** Social Enterprise
- 15%** Social Services
- 27%** Arts
- 36%** Housing

GEOGRAPHIC BREAKDOWN

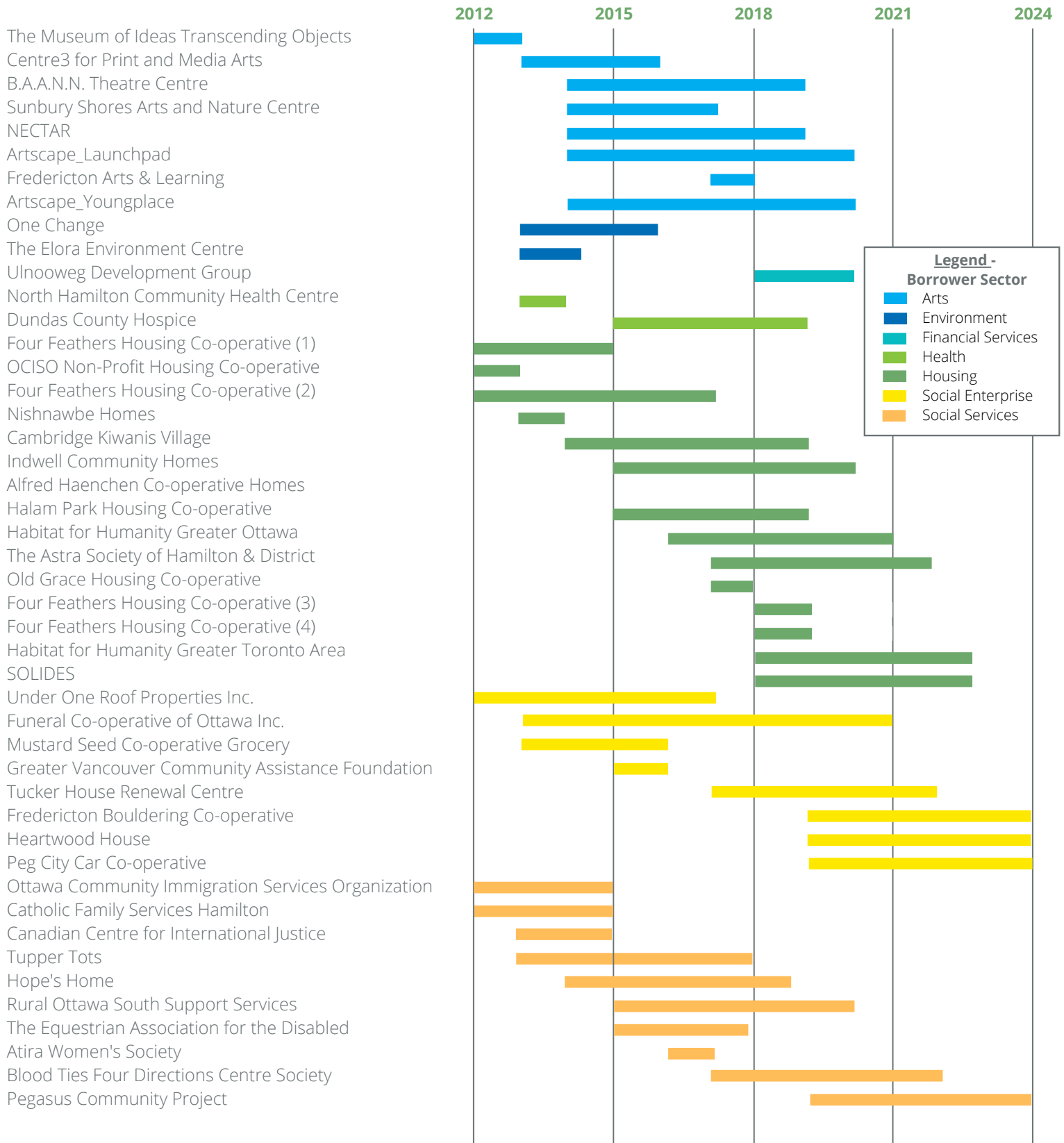


Legend

- 4-6 Loans
- 10-12 Loans
- 1-3 Loans
- 7-9 Loans
- 36 Loans

*For direct CFF investments only

FUND HISTORY





IMPACT BY SECTOR

- Arts
- Environment
- Financial Services
- Health
- Housing
- Social Enterprise
- Social Services

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THE ARTS

Since fund inception, CFF has placed over \$4.19 million in loans to 6 different charities and non-profits in the Arts. The loans have supported capital projects, acquisitions of spaces, renovations and operations across 2 provinces.

2019 BORROWING

\$2.49M

loaned to current borrowers



2 organizations supported



loans placed in 1 province

2019 IMPACT



113,000 sq. ft.

of community space built

1,030 individuals

with new access to programs or facilities

1

new extracurricular program offered to the community

CASE STUDY



The Project: Artscape Toronto

The Mission: Artscape was founded in 1986 initially to support artists struggling to afford Toronto real estate. Today, Artscape combines affordable housing for artist-led families with community cultural hubs. Artscape is committed to building a world that engages artists, culture and creativity as catalysts for community vibrancy, prosperity and inclusiveness.

The Challenge: Artscape looked to CFF to support two of its projects to date. While both projects were successful in securing government grants and community bonds, Artscape was still left with a gap in its projects' financing.

The CFF Solution: CFF provided Artscape with two separate loans. The first loan allowed Artscape to retain ownership of units in its Youngplace project. The second loan bridged the community bond raise and supported the construction of their new Launchpad project.

The Outcomes: Artscape Youngplace is a 75,000 sq. ft. space that opened in 2013 and is devoted to artistic inspiration, learning, growth and expression. Artscape Launchpad is a \$30 million project that opened in 2018 and is a 35,000 sq. ft. of co-working space, studio spaces and a digital media lab. Overall, Artscape provides 6,500 artist tenants with affordable housing and work space and hosts 720,000 people annually at its diverse events and programs.

ENVIRONMENT

Since fund inception, CFF has placed \$289,025 in loans to 2 organizations in the environment sector. The loans have supported the purchase of solar panels, appliance retrofits in low-income households and land conservation efforts across Ontario.

2019 BORROWING

CFF had no loans to organizations whose primary sector is environment in 2019.

2019 IMPACT



14,536 MWh
energy conserved¹

450 tonnes
of greenhouse gas emissions reduced²

34 acres
of total protected or conserved land area³

441 individuals
with new access to renewable energy

CASE STUDY



The Project: Tucker House

Mission: Our work with Tucker House allowed the environmental group to finance the purchase of solar panels at its community space to reduce its environmental footprint and establish a sustainable revenue stream.

The Challenge: Tucker House, a local environmental group in the Ottawa region, is situated in the countryside on a former family estate. Tucker House has successfully run day camps for children in the summer and year-round programs for adults on energy efficiency and renewable energy for several years, taking over operations from a church group. Their growth has been slow and steady over the past five years as the focus has changed from faith-based to environmental programs. In 2009, the Ontario government created a Micro-FIT (Feed-in Tariff) program that allows small organizations to feed electricity into the grid and be paid 80 cents per kilowatt hour.

CFF Solution: Tucker House used a loan provided by CFF to finance the purchase of solar panels. This will allow them to reduce their environmental footprint and be a role model for sustainability in the community, while providing a sustainable revenue stream that supports operations. With the Micro-FIT program, solar panels would pay for themselves within 15 – 20 years.

FINANCIAL SERVICES

Since fund inception, CFF has placed \$1,000,000 in loans to 1 organization in the Financial Services sector. The loan has supported an Aboriginal Financial Institution in its economic development efforts in First Nations communities in Atlantic Canada.

2019 BORROWING

\$1M

loaned to current borrowers



1 organization supported



loans placed in 1 province

2019 IMPACT



642 clients served

CASE STUDY



The Project: Ulnooweg Development Group

The Mission: Ulnooweg is a non-profit Aboriginal Financial Institution that supports 34 Mi'kmaq and Maliseet First Nations and Inuit communities. It has more than 67,000 members across Atlantic Canada and has disbursed over \$66 million to the Atlantic Canada Indigenous community in the form of business and community loans. Ulnooweg also supports its members with economic development planning and supporting financial capacity building and awareness.

The Challenge: Ulnooweg's loan demand has recently begun to exceed its available capital and federal government funding support, both in terms of volume and loan limits. Federal capital sources cap total loan values at \$250,000, limiting the ability of Ulnooweg to support larger economic development opportunities. In order to meet the needs of its community, Ulnooweg sought financing from the Community Forward Fund.

The CFF Solution: CFF worked closely with Ulnooweg to structure a financing tool that would best meet its needs. CFF provided a \$1 million facility to be drawn down over time, and at full draw down converted into an amortizing loan. The loan is based on a credit assessment of Ulnooweg, leaving the organization with the flexibility to determine what investment it makes. This is aligned with principles of economic reconciliation.

The Outcomes: Ulnooweg used its loan from CFF to provide two additional loans to fisheries businesses in the community. Ulnooweg expects its funding capacity and the resulting impact, both in terms of community development and jobs created, to continue increasing thanks to its CFF loan.

HEALTH

Since fund inception, CFF has placed \$208,360 in loans to 2 organizations in the Health sector. The loans have supported hospice centres and health centres in Ontario.

2019 BORROWING

\$177,860

loaned to current borrowers



1 organizations supported



loans placed in 1 provinces

2019 IMPACT



710 individuals

with new access to healthcare services or facilities

31,200 sq. ft.

of healthcare facilities built or renovated ⁴

18

new extracurricular programs offered to the community

CASE STUDY



The Project: Dundas County Hospice

The Mission: Dundas County Hospice is a community-based, client-focused charity organization that serves residents of Dundas County who are living with life-threatening illness. Its mission is to honour life by providing comfort, care and compassion.

The Challenge: Dundas County Hospice was looking to expand and enhance its services by offering a variety of additional day activities and programs, as well as relocate its offices to accommodate its growing staff and equipment.

The CFF Solution: The Community Forward Fund provided a loan for Dundas County Hospice to purchase a single family dwelling and renovate the interior to adapt it to their needs. The property holds 4 to 5 potential office spaces, allowing for future growth and more interactive work with volunteers. Additionally, the property has a large living and dining rooms, as well as a back deck and yard for weather-appropriate outdoor activities.

The Outcomes: Dundas County Hospice purchased a 113,093 sq. ft. single-family dwelling and renovated the property. This new space allowed the organization to expand their team from 2 to 4 permanent staff, provide a work space for their increasingly involved volunteers, and serve a greater number of palliative and community clients through their enhanced programming.

HOUSING

Since fund inception, CFF has placed over \$5.69 million in loans to 12 organizations in the Housing sector. The loans have supported affordable housing for low-income families, Indigenous communities and women in 3 provinces and territories.

2019 BORROWING

\$4.33M

loaned to current borrowers



9 organizations supported



loans placed in **2** provinces & territories

2019 IMPACT



1,172 individuals housed ⁵

231 new affordable units constructed ⁶

CASE STUDY



The Project: SOLIDES

The Mission: SOLIDES was set up in 2000 by the Comité Logement Rive-Sud, an organization promoting tenants' rights and developing social housing. The main function of SOLIDES is to provide the greatest number of tenants with quality housing at an affordable cost. SOLIDES does this by acquiring and renovating existing residential buildings or constructing new buildings.

The Challenge: A challenge arose when two buildings totalling 70 units went up for sale in Châteauguay, QC. These buildings are inhabited by low-income households and needed to be protected from speculation, but also needed to be better managed and renovated. SOLIDES' financial institution was willing to finance these acquisitions and the Canadian Mortgage and Housing Corporation was ready to guarantee these loans, however, SOLIDES' did not have sufficient funds for the down payment of 15% as most of its equity is tied up in other buildings or was used for other acquisitions.

The CFF Solution: Despite all of SOLIDES' efforts with many institutions and funds over 20 years, only CFF and its main financial institution could come together to provide the financing required to purchase the two buildings and convert the projects into success.

The Outcomes: The two buildings are now safe from speculation and the transformation into condos. They house 70 households who can feel secure in their affordable housing tenure.

SOCIAL ENTERPRISE

Since fund inception, CFF has placed over \$1.96 million in loans to 9 organizations in the Social Enterprise sector. The loans have supported a funeral co-operative, a daycare, a legal services organization and a co-working space across 4 provinces.

2019 BORROWING

\$766,125

loaned to current borrowers



5 organizations supported



loans placed in 3 provinces

2019 IMPACT



26,151 sq. ft.
of community space built

CASE STUDY



The Project: Heartwood House

The Mission: Heartwood House was established in 2001 and is a non-profit charitable organization dedicated to supporting small non-profit and charitable organizations by offering an affordable and accessible workplace. Heartwood House and its member organizations provide a wide variety of services to support Ottawa residents living in poverty, and/or who are disadvantaged due to disabilities, low literacy, language, housing, unemployment or health challenges.

The Challenge: Heartwood House purchased its current space in 2012 and experienced some setbacks with the redevelopment. Heartwood House came to CFF to refinance its existing debt and improve its working capital.

CFF Solution: CFF was able to help Heartwood House refinance its debt which will result in significant debt service savings and improved working capital to continue running its operations smoothly.

The Outcomes: Heartwood House manages over 26,000 square feet of affordable working space for charities and non-profits to serve their communities. Each year over 15,000 people are served by the members of the Heartwood House community. The Community Forward Fund loan empowers Heartwood House to continue its work to provide affordable space for small charitable and non-profit organizations to serve low income communities.

SOCIAL SERVICES

Since fund inception, CFF has placed \$2.33 million in loans to 9 organizations in the Social Services sector. The loans have facilitated support and social services for new immigrants to Canada and other community members in 4 provinces and territories.

2019 BORROWING

\$1.53M

loaned to current borrowers



5 organizations supported



loans placed in 3 provinces

2019 IMPACT



83,842 sq. ft.

of community facilities built ⁷

11,361

individuals served

2

new jobs created or supported

CASE STUDY



The Project: Pegasus Community Project

The Mission: Pegasus Community Project was founded in 1994 by a small group of volunteers who believed that all individuals are entitled to the opportunity to participate in the life of their community and to grow as individuals. As such, Pegasus now offers individuals with developmental disabilities these opportunities and supports them in planning their lives and making personal choices.

The Challenge: Pegasus currently has four separate program sites as well as a Thrift Store which all provide participant support and programming. Programming includes physical activity, creative endeavours, job coaching and community involvement. At one of its program sites, Pegasus has experienced difficulties with consistently available space. In order to provide consistent programming space for its participants, Pegasus wanted to acquire its own space.

The CFF Solution: Pegasus approached CFF for support in financing the purchase of its own new space. The organization identified two commercial units in East Toronto that were perfect for its needs. CFF provided Pegasus with a loan, as well as financing to support renovations.

The Outcomes: Pegasus currently offers programming to over 50 individuals from Monday to Friday for 11.5 months of the year. With over 1,500 square feet of new space that it owns, Pegasus plans to serve more individuals and to expand its programming schedule to include evenings and weekends.



OUR BORROWERS' IMPACT TO DATE

Capturing the total impact of CFF lending is complicated. Loan purposes and borrowers are diverse. CFF has adapted the approach to calculation of impact over the past five years, and therefore it is a challenge to provide a global fund impact over time.

The impact results listed below are an extrapolation of current impact assessments. The annual impact assessment for a borrower is multiplied by the term of the loan. The total impact is then adjusted to ensure that impacts are not over-estimated (short-term impacts are not over counted). The overall CFF impact results should not be taken as actual results.

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OUR BORROWERS' IMPACT TO DATE

Previous sections of this report have highlighted the annual impact in 2019 of our current borrowers, however, this page looks to provide an estimate of the total impact of all of Community Forward Fund's borrower's since the beginnig of their partnership with us.

The Arts	Number of new extracurricular programs offered to the community	7
	Number of individuals with new access to facilities and/or programs	2,060
	Square footage of community space built	152,700
Environment	Number of individuals with new access to renewable energy and energy efficient products	1,401,323 ⁸
	Energy conserved (MWh)	45,426
	GHG reductions due to products sold (tonnes CO2e)	4,112
	Total protected or conserved land area (acres)	34
Financial Services	Number of clients served	642
Health	Number of clients with new access to services or facilities	5,443
	Square footage of healthcare facilities built or renovated	4,076,617
	Number of new extracurricular programs offered to the community	18
Housing	Number of individuals housed	1,986 ⁹
	Number of affordable housing units constructed	523
Social Enterprise	Number of new business created	2
	Square footage of community space built	26,151
	Number of individuals served	1,000
	Number of jobs intentionally created/supported as a result of the loan	2
Social Services	Square footage of community facilities built	112,142
	Number of individuals served	36,535
	Number of jobs intentionally created/supported as a result of the loan	2



NOTES & ASSUMPTIONS

1 - Tucker House installed 2019 solar panels on its facilities. It is assumed that each solar panel array produces 5kW (or 600kWh) of energy per month, 7,200 kWh per year.

2 - According to The Atmospheric Fund's report *A Clearer View on Ontario's Emissions: Electricity emissions factors and guidelines* (2019), Ontario's electricity grid produces an average of 31 grams of carbon dioxide equivalent per kWh. It is assumed that the electricity produced by Tucker House's installed solar panels are emission-free.

3 - Total area on which Tucker House's solar panels sit.

4 - Projects may still be under construction.

5 - For housing projects in which the exact number of occupants per unit is unknown, estimates were used. It is assumed that shelters and transitional housing accommodates one person per unit; one-bedroom units accommodate two people; two- and three-bedroom units accommodate three to four people.

6 - Projects may still be under construction.

7 - Projects may still be under construction.

8 - One Change reached 1.4M households with its Porchlight Programs from 2007-2008. We are assuming a similar reach during the years when it had a loan with CFF.

9 - As the turnover rate is unknown, this value represents the housing capacity of all projects/units constructed over the lifetime of the fund to date, and not the cumulative number of people housed.

