

JANUARY - MARCH 2017

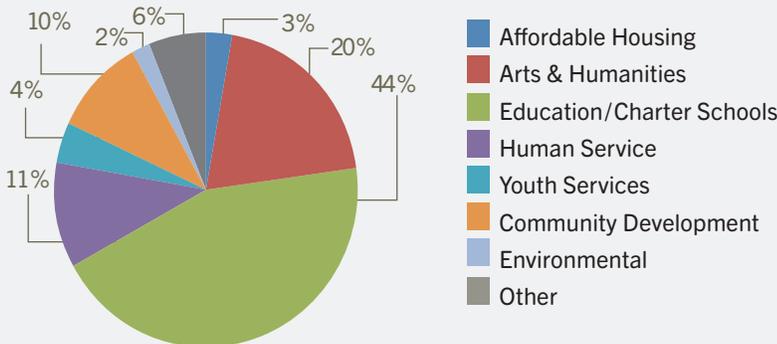
QUARTERLY REPORT

We are pleased to present this quarterly report for the loan fund at Nonprofits Assistance Fund (NAF). We make loans that enable nonprofits to expand programs and services, bridge cash flow gaps, consolidate debt, and make capital improvements. Loans range from \$20,000 to \$1,500,000, and loan clients are nonprofit organizations of all sizes and stages of development.

Trends and Impact

Nonprofits Assistance Fund, in partnership with the Initiative Foundation, developed a Social Enterprise program to assist nonprofits in the successful launch or growth of a social enterprise. With the long-term goal of building the sustainability of nonprofits to further their missions, this social enterprise program helps nonprofits determine if social enterprise is right for them. Currently NAF is partnering on two cohorts in Little Falls and one in Duluth, plus leading cohorts in St. Paul and Grand Rapids. All five are funded by Northwest Area Foundation, with additional funding in St. Paul from St. Paul Foundation and in Grand Rapids from Blandin Foundation.

Total Loans Originated this Quarter \$4,708,069



Loan Fund Condition

	NAF	CDFI industry standard
Net Asset (Equity) Ratio	52%	20%
Loan loss reserves ratio	5.0%	5.0%
Historical loss ratio	1.03%	N/A

NAF is a Community Development Financial Institution (CDFI) certified by the US Treasury Department. The CDFI field has developed financial performance standards to maintain healthy and stable loan fund performance.



EMERGE is a place-based community development agency open to helping all people ready to redefine themselves. It creates jobs for hard-to-employ adults through innovative enterprises.

In 2015, EMERGE merged with Momentum Enterprises, which operates as EMERGE's social enterprise, creating employment opportunities for its clients while producing revenue for the organization. NAF is proud to provide a bridge loan to EMERGE to purchase metal manufacturing assets from another metal manufacturing company to expand its social enterprise. With these assets, EMERGE can continue to bridge the divide between low-income people and others with higher-level technical skills.

"NAF is proud to help EMERGE acquire a welding business, which will provide another path to self-sufficiency for its clients."

— Allison Wagstrom, Portfolio Manager, Nonprofits Assistance Fund