

# Community Investing

Many communities lack affordable housing, child care, health care, and jobs that pay a living wage. Putting money into underserved communities as an investment strategy that remedies economic disparity by providing lower-income people access to capital, credit, and training that they otherwise would not have.

Community investing, however, is beyond charity and is a sound investment practice. These investments earn competitive returns, like non-community development investments, but also produce a social return that is attractive to investors and helps communities in need.

Source: Social Investment Forum

# Social Finance

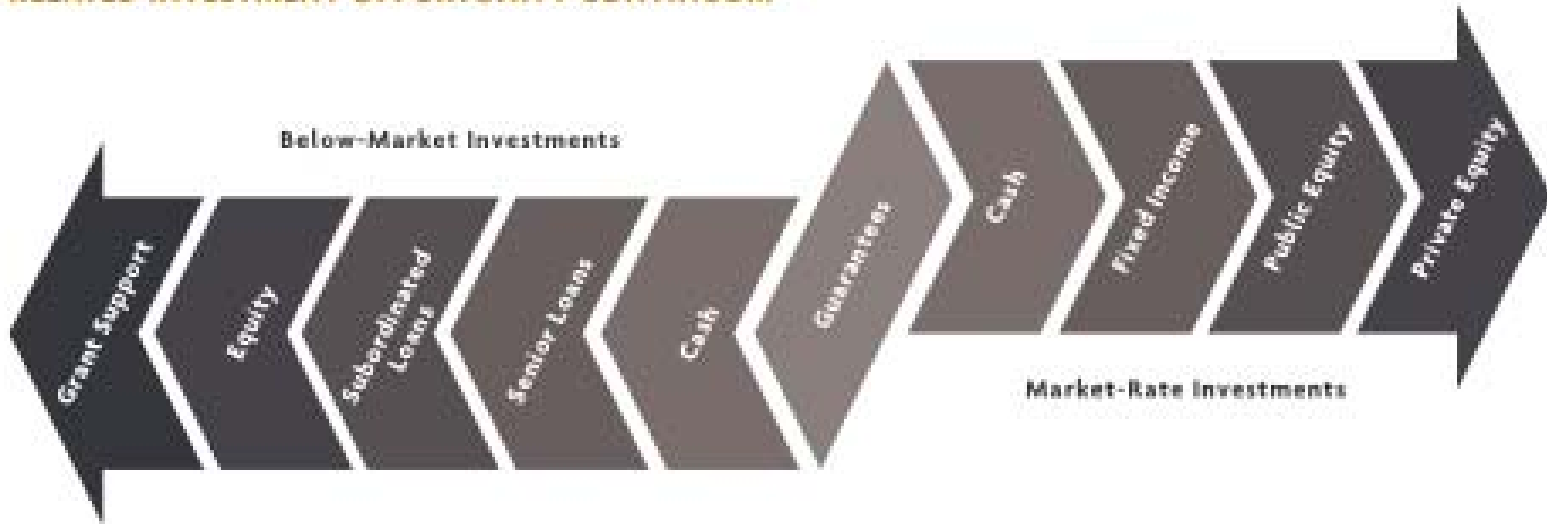
Social finance is an approach to managing money that delivers a social dividend and an economic return.

Social finance includes community investing, microlending, and sustainable business and social enterprise lending. Philanthropic grantmaking and program-related investments also fall under the umbrella of social finance.

These approaches to investment and funding share the focus of stimulating positive social and environmental returns for investors and the larger world.

Source: Wikipedia

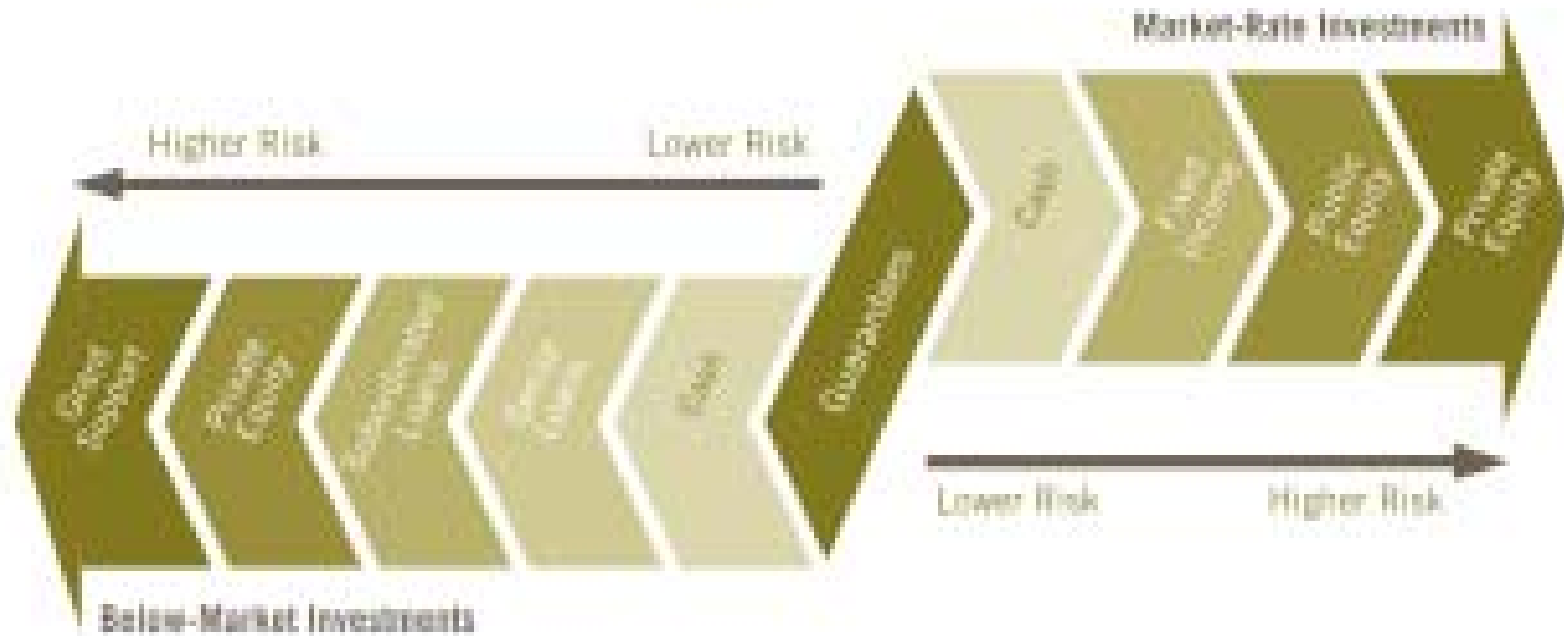
## MISSION-RELATED INVESTMENT OPPORTUNITY CONTINUUM



Source: FB Heron Foundation

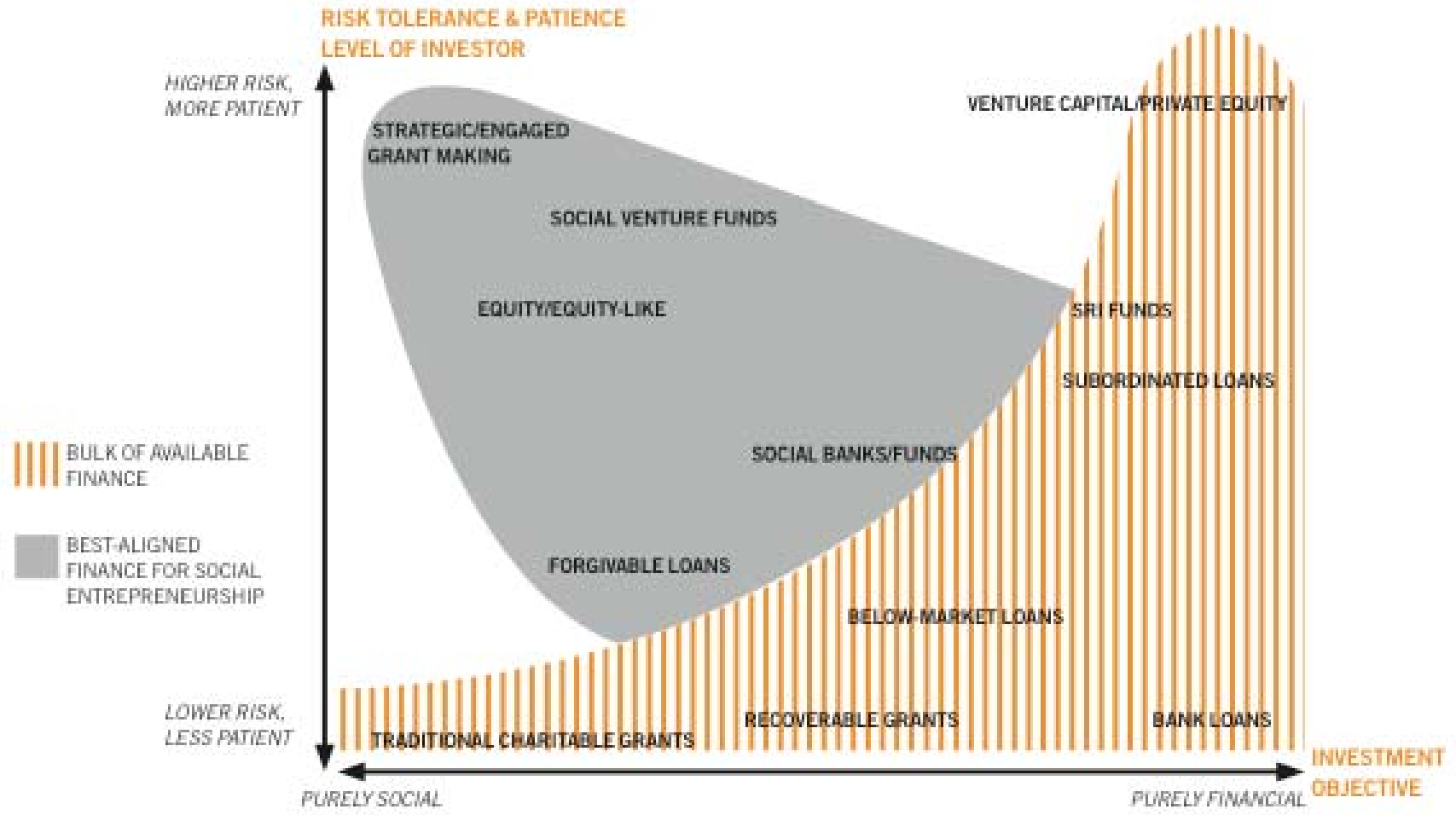
## Mission-Related Investment Continuum

Source: Social Finance Canada, 2007. Adapted from Social Finance, 2007.



Source: The F.B. Heron Foundation

FIGURE 5: INVESTMENT OPPORTUNITIES IN SOCIAL INVESTMENT  
(ADAPTED FROM ALTER, 2007)



Source: *The Landscape of Social Investment*, A. Nicholls, SKOLL CENTRE, March 2008

**FIGURE 1: DRIVERS BEHIND SOCIAL INVESTMENT**



Source: *The Landscape of Social Investment*, A. Nicholls,  
SKOLL CENTRE, March 2008

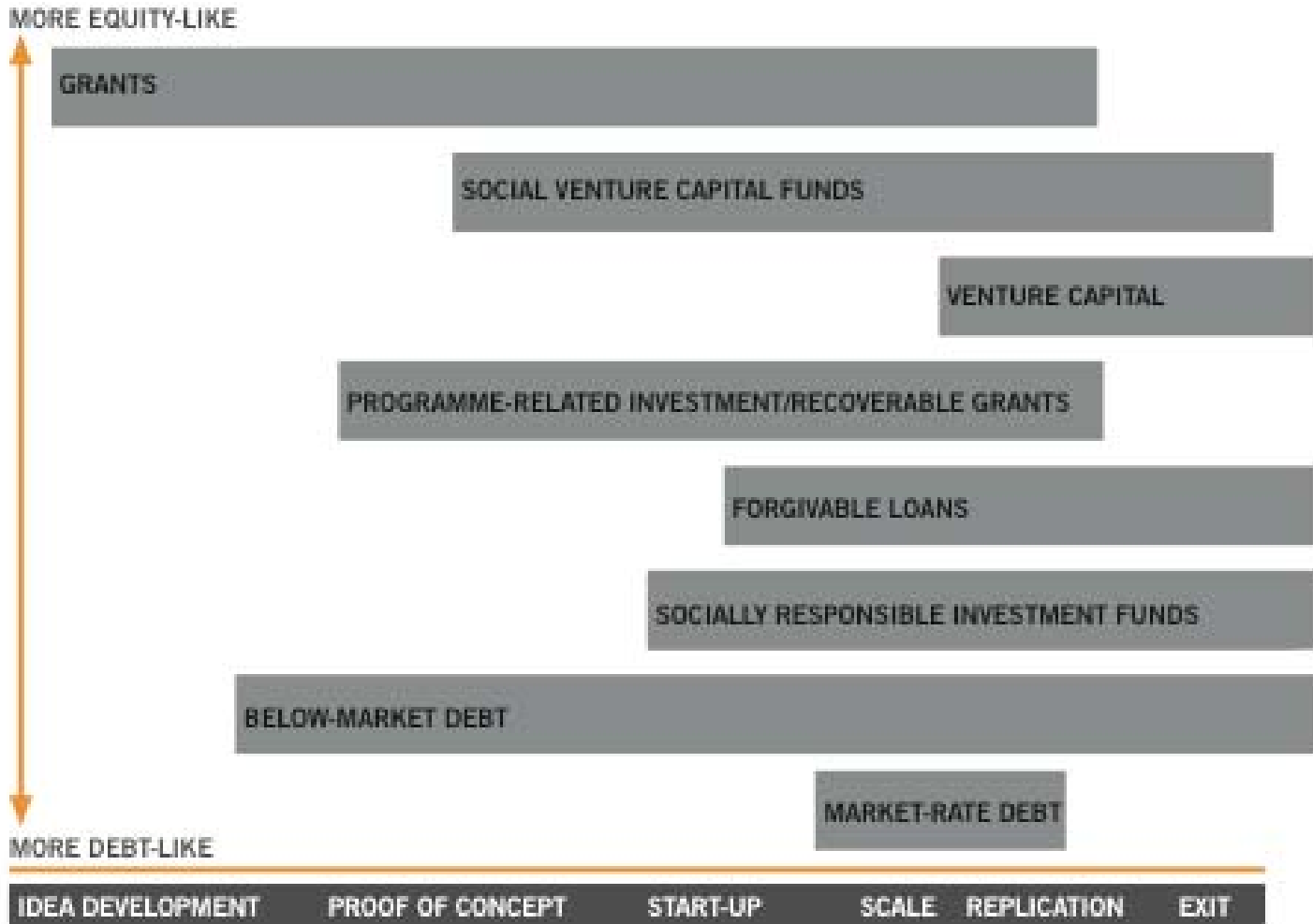
**FIGURE 3: SPECTRUM OF SOCIAL ENTREPRENEURSHIP BY RESOURCE STRATEGY  
(ADAPTED FROM HOWARD AND GIDDENS, 2004)**

SOCIAL RETURN			BLENDED RETURN		FINANCIAL RETURN	
CHARITIES			REVENUE-GENERATING SOCIAL ENTERPRISES		SOCIALLY DRIVEN BUSINESSES	
<i>Revenue Model</i>	No trading revenue	Trading revenue and grants	Potentially sustainable 75% trading revenue	Break-even – all revenue from trading	Profitable, surplus not distributed	Profit-distributing: social focus
<i>Example</i>	Cancer Research	Guide Dogs for the Blind	Reclaim	Green-Works	Greenwich Leisure Centre*	Cafédirect

\* Profits distributed to members/stakeholders only

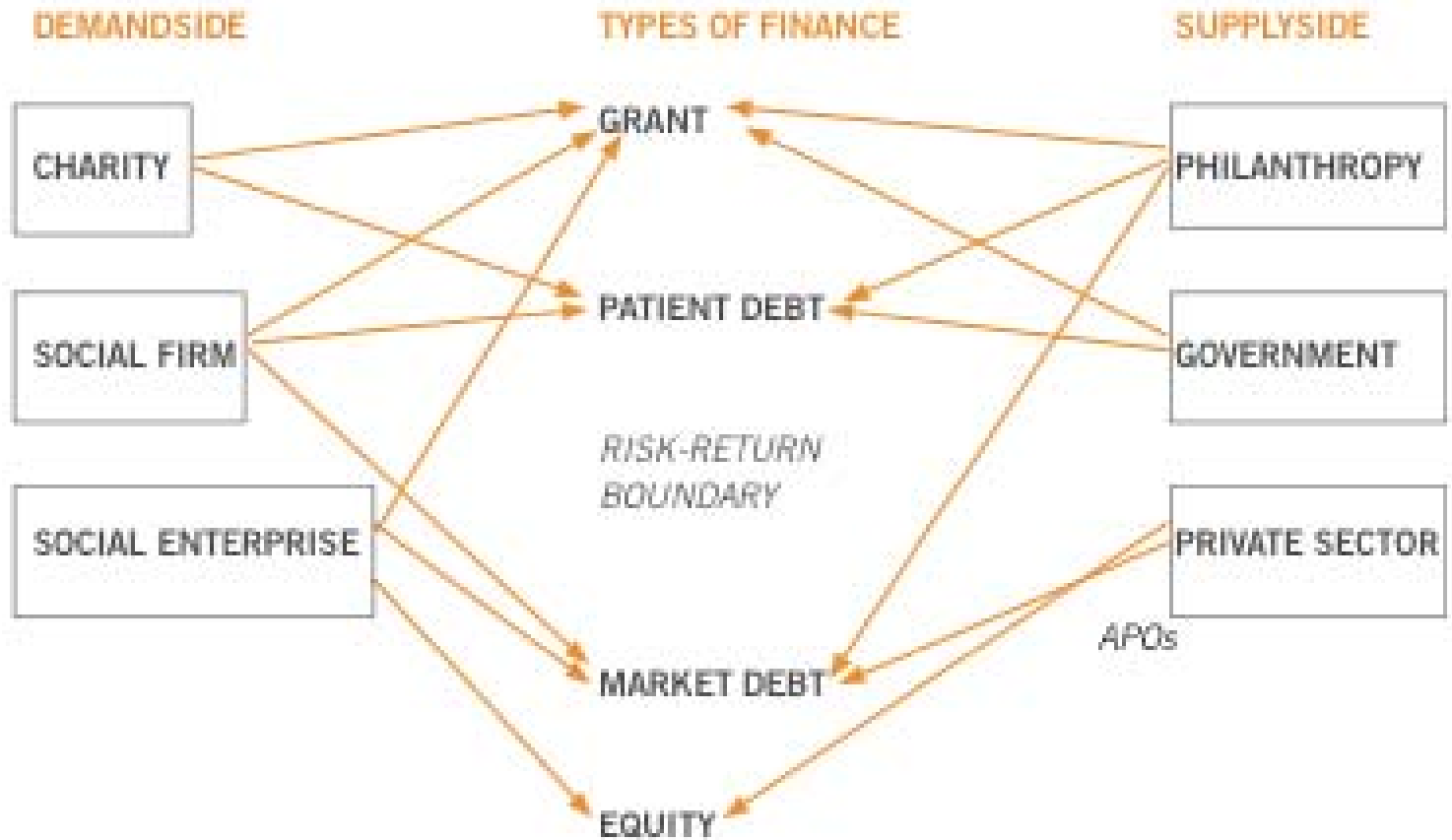
Source: *The Landscape of Social Investment*, A. Nicholls, SKOLL CENTRE, March 2008

FIGURE 4: FINANCE OPTIONS FOR SOCIAL ENTREPRENEURS ACROSS THE ORGANISATIONAL LIFE CYCLE (ADAPTED FROM ALTER, 2007)



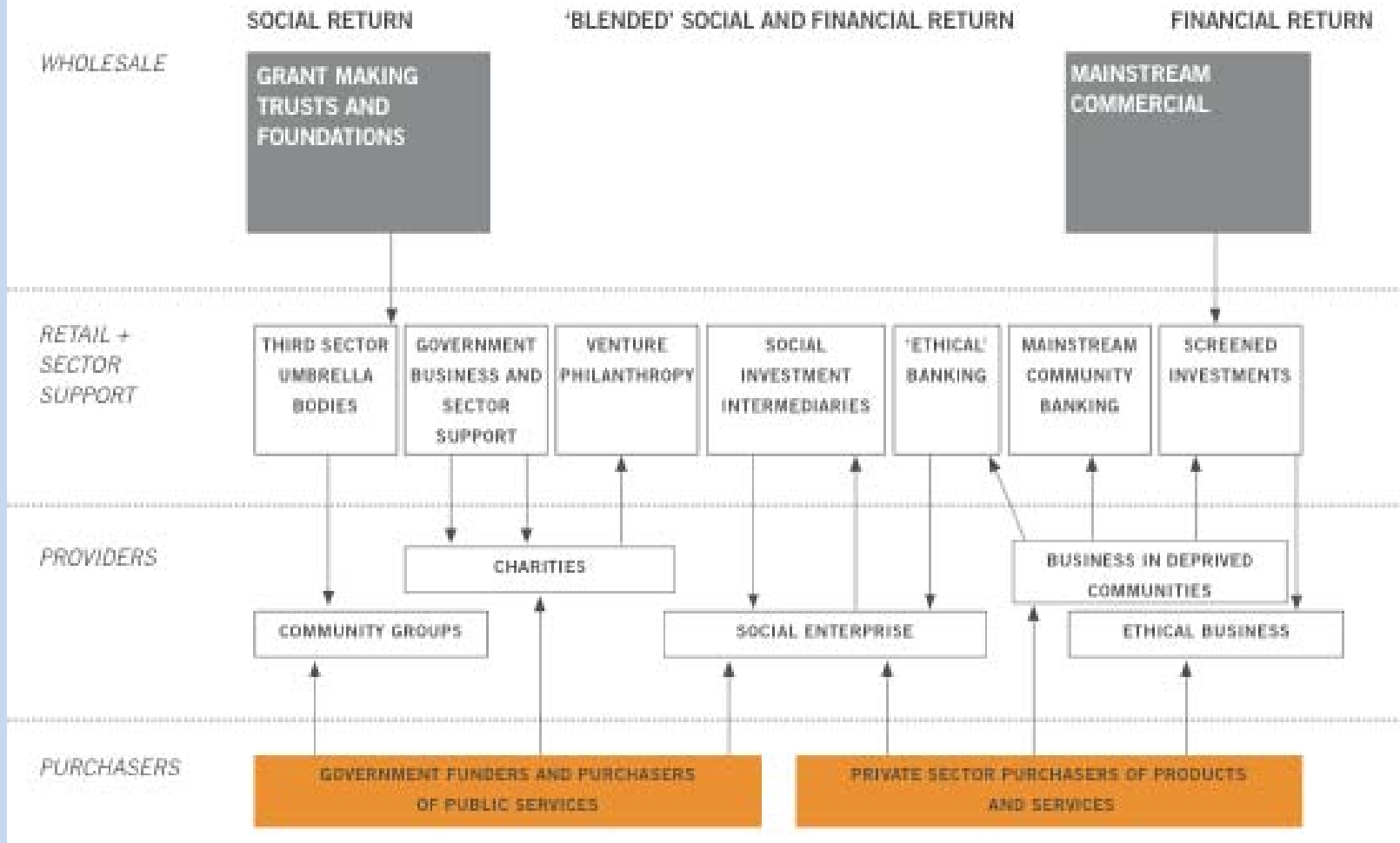
Source: *The Landscape of Social Investment*, A. Nicholls, SKOLL CENTRE, March 2008

**FIGURE 6: SOCIAL INVESTMENT RELATIONSHIPS BY TYPE OF FINANCE**



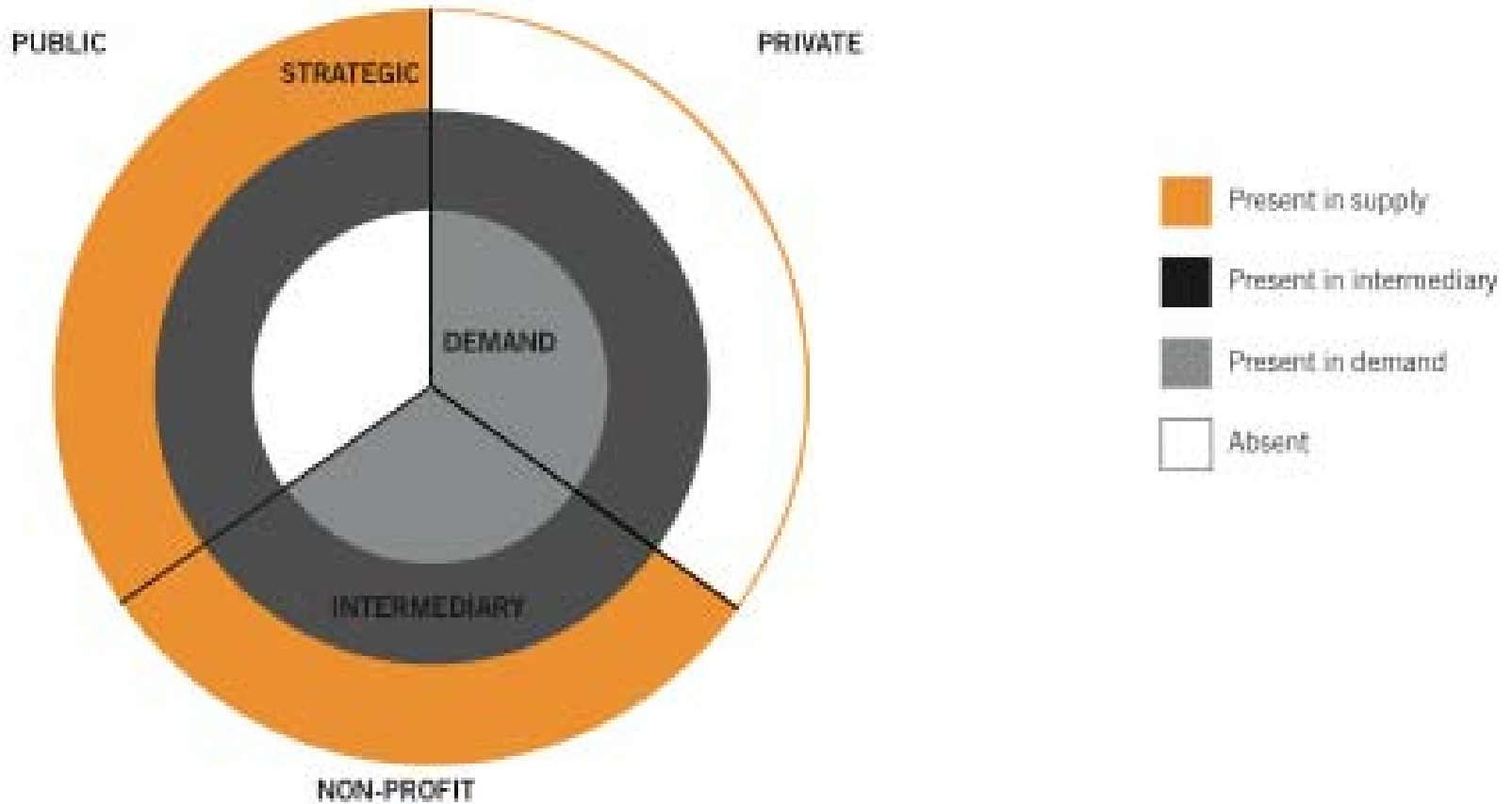
Source: *The Landscape of Social Investment*, A. Nicholls, SKOLL CENTRE, March 2008

**FIGURE 7: LANDSCAPE OF SOCIAL FINANCE BY CONTRACTUAL ARRANGEMENTS  
(ADAPTED FROM GREGORY, 2007)**



Source: *The Landscape of Social Investment*, A. Nicholls, SKOLL CENTRE, March 2008

FIGURE 8: DISTRIBUTION OF TYPES OF ACTOR IN SOCIAL INVESTMENT



Source: *The Landscape of Social Investment*, A. Nicholls, SKOLL CENTRE, March 2008

# Causeway

New national collaboration  
accelerating a social finance market  
place for financing social innovation  
serving public benefit



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