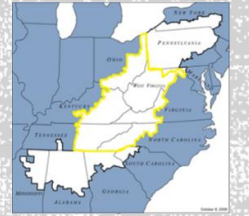


# INVEST APPALACHIA



## A Regional Collective Accelerating Market Development in Central Appalachia

### Regionally Designed, From the Ground Up

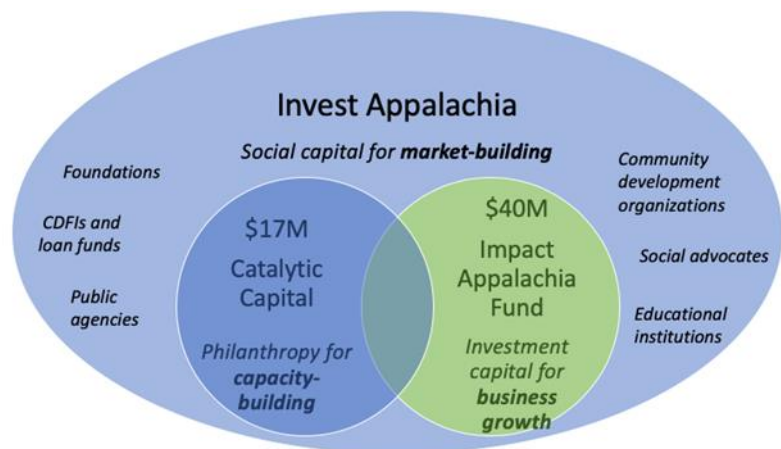
Invest Appalachia (IA) is a new social impact collective that provides integrated investment and philanthropic capital to strengthen businesses, build local wealth, advance critical sectors, and increase quality jobs in Central Appalachia. Initiated through the Appalachia Funders Network and developed by regional leaders representing CDFIs, public and private philanthropic entities, community organizations and universities, Invest Appalachia uses a data-driven approach to accelerate existing community-based efforts by:

- Strengthening the Regional Ecosystem
  - Advancing Market Development
    - Closing Capital Gaps

As a regional collective, Invest Appalachia relies on a diverse network of regional and place-based leaders to ensure the strategies and solutions we support are driven by the communities that are most affected and strengthen existing assets, including the region's robust CDFI network.

### An Ecosystems Approach for Transformative Change

IA will coordinate the deployment of two complementary capital pools: a \$17 million pool of philanthropic Catalytic Capital (CC), to increase the number of investment-ready businesses and projects and address underwriting hurdles, and a \$40 million Invest Appalachia Fund (IAF), an LLC, to provide loans to enterprises, intermediaries and community facilities. These two pools of capital will be deployed in coordination with IA's existing social capital network and community-based advisory committees, increasing coordination and alignment to overcome critical gaps that hinder market development, provide customized capital stacks for investment-ready businesses, and ultimately reduce risk for future large-scale social investment.



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## Investing in the Drivers of Community & Economic Development

Invest Appalachia will provide flexible capital to intermediaries, entrepreneurs, community and economic development leaders, and project sponsors to advance endeavors that support healthy communities, increase quality jobs, and stimulate regional market development. IA will create **packages of catalytic capital investments that advance the pipeline of investable projects**, including but not limited to:

- Grants to under-resourced anchors critical to the pipeline
- Pre-development funding for project planning
- Technical assistance to increase investment readiness
- Talent development and financial capacity-building
- Credit enhancements, including loan loss reserves

**Repayable capital will be deployed to investment-ready businesses and projects by:**

- Providing low-cost, patient capital to CDFIs and intermediaries
- Co-lending with intermediaries and other financial institutions
- Direct investing in community facilities, affordable housing, commercial real estate, health care, social enterprises and businesses that provide wealth building jobs

## Aggregating and Amplifying Investments on a Regional Scale

Invest Appalachia will serve as regional access point for outside investors and philanthropies, highlighting Central Appalachia as “America’s next great investment opportunity.” Through the aggregation of investment opportunities and funding sources, IA provides a scaled-up approach that is accessible to a broader impact-motivated market. Invest Appalachia recognizes there is an urgency to meet community needs for economic diversification and opportunity, while also addressing investor priorities. As hub of regional investment activity, IA is committed to working with diverse partners to promote the growth of the region’s economy.

Invest Appalachia is grounded in, and committed to advancing, the work of our partners by increasing coordination to collectively address the region’s challenges and facilitate a stronger, more resilient ecosystem with increased investment opportunities.

Invest Appalachia is a regional collective seeking increased capacity, coordination, and investment for the drivers of regional community and economic development. We invite you to join us on this path.

## Anticipated Timeline and Opportunities for Engagement

- Development of bylaws, guidelines, and work plan priorities for board (May)
- Legal incorporation and board slate presented for approval (May-June)
- Stakeholder engagement: meeting with Community Foundations and CDFIs (June 13)
- Development of public-facing materials and expert/stakeholder feedback (June-July)
- Hiring process for CEO position, investment manager & community manager roles (July-August)
- Recruitment and formalization of investment committee and community advisory group (August)
- Capital raise and fund launch (Fall 2019)