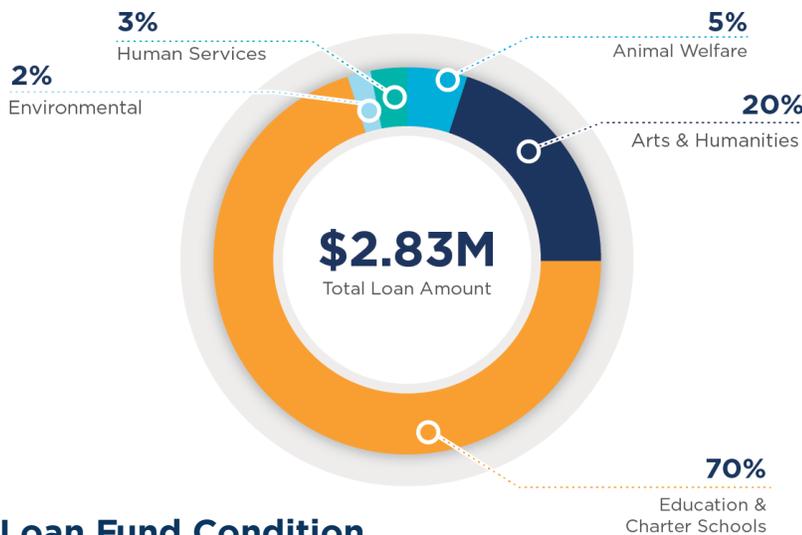**power your mission**

# propel
### nonprofits

## QUARTERLY REPORT: APRIL-JUNE 2020

Propel Nonprofits makes 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

For Q1 FY21, Propel originated 12 loans for $2.8M as compared to a Q1 FY20 origination of 26 loans at a $4.3M value. The noticeable reduction in activity is driven by the coronavirus pandemic. The loan fund condition was not impacted which indicates that loan fund quality was not impacted. Propel will continue to track the performance of the loan fund with the expectation that the coronavirus' impact on the loan fund will slowly decrease over time.

## Total Loans Originated this Quarter $2,835,335



**3%** Human Services
**2%** Environmental
**5%** Animal Welfare
**20%** Arts & Humanities
**$2.83M** Total Loan Amount
**70%** Education & Charter Schools

## Loan Fund Condition

| | Propel | CDFI industry standard |
|---|---|---|
| **Net Asset (Equity) Ratio** | 35% | 20% |
| **Loan loss reserves ratio** | 5.3% | 5.0% |
| **Historical loss ratio** | 0.89% | N/A |

Propel Nonprofits 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.

**AERIS**
**RATED**
★★★★ AA-
POLICY PLUS

*Students from the YouthBuild Program*

Change Inc. utilizes the power of relationships and community to create educational, training and healing opportunities for children, youth, young adults and families so that they can achieve their highest ambition.

Change Inc. partnered with Propel for a loan to bridge the sale of a home renovation through its YouthBuild program which helped shift the way staff think about debt from a thing to be avoided to a resource that can provide stability throughout a fiscal year.

"There's a difference between what's possible in your budget and what your cash flow is telling you," Jody Nelson, executive director at Change Inc., said. "I'll now look daily at what's come in, at what expenses are coming up, and then also at the year ahead and beyond."