

FAQs:

Investing in the Genesis Fund

What is the Genesis Fund?

The Genesis Community Loan Fund's mission is to bring together resources to create housing and other economic and social opportunities for underserved people and communities in Maine. Since 1992, the Genesis Fund has lent more than \$13 million to Maine nonprofits and helped attract an additional \$74 million through our financing and grant writing assistance. These efforts have supported the creation or improvement of more than 1,500 units of affordable housing and the provision of a range of services for Maine's most vulnerable populations. A comprehensive list of the projects we have supported may be obtained from our website www.genesisfund.org or by contacting us at 207-563-6073.

How does the Genesis Fund help communities in Maine?

The Genesis Fund provides a range of financial and technical assistance services to help communities thrive. We make loans that bridge the gap between the resources nonprofit organizations are able to obtain from traditional sources and the amount needed to purchase, rehabilitate or develop housing and community facilities. We also provide technical assistance that helps organizations secure other funding and improves their capacity to complete development projects.

Why should I invest in the Genesis Fund?

The Genesis Fund provides a unique investment opportunity for socially concerned individuals and institutions who want to put a portion of their assets to work for long-term community redevelopment in Maine. Your investment will be used to make loans to sustainable projects that address vital community needs and will help leverage additional public and private support for affordable housing and facilities projects. In return, you receive a modest financial return on your investment and the satisfaction of knowing that your investment is making a difference for Maine communities.

Why does the Genesis Fund need my investment?

As the demand for our services increases, so does the need for additional money that can be pooled with other investments and re-lent for vital community projects.

How will my investment be used?

Your investment will provide direct support for affordable housing and community facilities projects. This support will come in the form of a loan to a nonprofit organization that will be repaid over time. As loans are repaid, they become available for new projects and can thus be "revolved" back out for other projects that meet critical community needs.

How do I know that my money is making a difference?

Your investment will begin supporting affordable housing and facilities projects across the state soon after we receive it. Through our annual updates, you'll gain a better appreciation of the impact of your investment. Check our website often to see the most up-to-date listing of projects that we are supporting.

How do I invest?

Once you have determined the amount, term and interest rate for your investment, you will need to complete an Authorization of Terms sheet and return it to us with the funds to be invested. The Authorization of Terms form is available at our website. You may also contact us at 207-563-6073 to discuss your investment and complete this form by phone.

What kind of terms do you offer on investments?

Investors in the Genesis Fund choose the amount, term and interest rate based on their financial and social goals. The minimum investment is \$1,000. Interest is paid annually. Beginning in 2008, investors are eligible for interest rates of up to 3.5% for investment placed with the Genesis Fund for four years or longer. Many investors roll over their initial investment at the end of the initial term of their note.

Is my money safe?

The Genesis Fund has a 100% repayment record to our investors. We are proud that of 135 loans made not one borrower has defaulted on a loan. However, we maintain reserves to protect investors from

losses in our portfolio and secure our loans with collateral, typically a mortgage on real property. We also have a strong permanent capital position to cover any losses.

What will I receive from the Genesis Fund once I've invested?

Once the Genesis Fund has received your Authorization of Terms and investment funds, you will be issued a loan agreement and promissory note. On the anniversary of your investment, we will provide you with an update on our activities and, as appropriate, interest and principal payments. Additional information such as audited financial statements may be provided as requested.

What if I need to access my money before the term of my investment expires?

In the event that unforeseen circumstances may make it necessary to terminate an investment before maturity, we will work with you to repay the principal balance and outstanding interest in a timely manner.

Are there any tax benefits to investing in the Genesis Fund?

There are no clearly identifiable tax benefits at this time; however, donations to the Genesis Fund are tax-deductible. Some investors choose to donate their annual interest earned by their investment. That interest donation is tax-deductible.

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