

UNITED  CHURCH FUNDS



The Just World Fund

An Impact-First
Offering from
United Church Funds

The Just World Fund

The Just World Fund (the “Fund”) responds to the demand from faith-based investors for ways to make a positive impact on people and communities in emerging and developed economies. It is a fixed income fund that operates on the principle that equitable global and domestic development is an investable asset.

The Fund offers investors a unique opportunity to invest in inclusive finance (impact investing) that provides financial capital products to entrepreneurs and communities traditionally excluded from the financial marketplace.

The Fund will address:

- Global economic justice
- Fair and adequate housing
- The human right to water and nutrition
- Environmental security

In addition to channeling capital to investments that target positive social and environmental impact, the Fund seeks to provide a competitive return that is typically uncorrelated to broader economic conditions and market indices.

Investment Composition

UCF will invest in credit funds that drive social and environmental impact in the U.S. and beyond through loans to community development institutions, small-to-medium enterprise lending institutions, microfinance institutions, small businesses and environmental projects. Certain funds will provide market-based returns, while other, “impact-first” funds will drive impact and provide more concessionary investment returns.

Fund Overview

UCF will report impact metrics annually. The report will aggregate, review and evaluate outcomes achieved by all fund constituents over the past year.

Initial Investment, Founding Investors

- \$100,000 minimum

Liquidity

- Initial investment subject to one-year lock-up period

Redemptions

- Quarterly after one-year lock-up period
- Redemption Notice Period: 60 days

Target Return

- The Fund seeks a return of 3-4% net of fees

Fees

- 1.00-1.20% per annum

The Just World Fund is offered as a complement to a diversified portfolio. Investors should closely examine the fund’s characteristics to determine how best to implement the Fund into their overall investment strategy.

Impact Investing: Another Values-Aligned Strategy

Impact investing enables investors to channel capital toward a range of social and environmental issues such as affordable housing, healthcare, nutrition and renewable energy, and to provide capital for small and medium-sized enterprises. Intentional investors understand that these long-term investments seek to achieve positive, sustainable and measurable change while generating a financial return.

For over 100 years, United Church Funds (UCF) has provided investment offerings to support the missions of churches, ministries and faith-based organizations. UCF is uniquely qualified to identify, select and monitor investment managers that can provide investors with the optimal balance of social impact and financial return.

UCF is a recognized leader in socially responsible investing (SRI) and environmental, social and governance (ESG) investing. UCF utilizes SRI – screens, proxy voting and shareholder resolutions – to engage and effect change with public companies and integrates ESG factors such as climate change, working conditions and corporate board diversity into its investment process.

Impact investing represents the next stage of UCF’s evolution in mission-aligned investing. The Fund represents a new tool in our toolbox; one that will enable investors to support their local missions while providing the financial resources necessary to address global economic and social injustice.

Investment Managers

Community Capital Management (CCM) Ft. Lauderdale, FL

Specializes in market-rate fixed income strategies that generate social and environmental impact in areas such as affordable housing and alternative energy.

Community Investment Management (CIM) San Francisco, CA

Focuses on financing small businesses in the U.S. in partnership with technology-driven online lenders. CIM believes that small businesses are critical to the health and sustainability of local communities and underserved by the traditional financial system. The majority of CIM's loans support small businesses owned by women, minorities and military veterans.

MicroVest (MV) Bethesda, MD

Seeks to provide short-term financing to low-income financial institutions in emerging markets. These institutions, which may include microfinance institutions and small and medium enterprise financing institutions, offer a variety of financial services to the working poor.

Global Partnership (GP) Seattle, WA

Makes loans and investments in microfinance institutions, social enterprises and cooperatives that help impoverished people improve their lives through core investments in education, health, housing and sanitation. GP has deployed nearly \$330 million in impact investments to over 12 million people.

Impact Highlights



Ms. Ultugan Kyzaibekova MicroVest Loan Recipient

MicroVest provides funds to financial partners in the developing world such as KazMicrofinance (KMF) in Kazakhstan. KMF provides loans to underserved populations, bridging a financial inclusion gap. One loan recipient, Ultugan Kyzaibekova, is an entrepreneur from Almaty who owns a sewing workshop that produces wholesale clothing and uniforms. With loans funded by MicroVest, Ultugan was able to grow her business from a stall at the flea market to becoming a subcontractor for government agencies. She has been a KMF client for 17 years.



McCloud & Associates, Inc. CIM Loan Recipient

Community Investment Management provides loans which are offered to small businesses such as McCloud & Associates, Inc., a diversified technical, professional accounting, data processing and computer consulting firm in North Carolina. Since founding her company in 1986, Valerie McCloud has grown the firm to be a community-oriented company serving business and government agencies. The company now has multiple divisions and employs over 40 people.

As the company expanded into new fields, Valerie leveraged revenue from the more profitable divisions to subsidize community-oriented services. For example, the company developed a proprietary training center to teach underemployed workers marketable skills and help them find employment opportunities that pay more than minimum wage. She also developed a non-profit department that writes grants and supports the tutoring of 400 students. With a loan funded by CIM, Valerie will expand a new division that will focus on education and youth leadership.

Socially Responsible Investing

- Focuses on avoidance and moral calls for corporate change
- Fostered by religious investors
- Continues to underpin the movement of investment that takes non-financial information into account

Environmental, Social, Governance Investing

- Uses ESG data and performance data to determine portfolio construction
- In general, less likely to avoid industries on moral bases
- Is increasingly used by secular investors, including large managers that dedicate certain analysts to these types of strategies

Impact Investing

- Invests for positive outcomes
- Many opportunities focus on long-term investments rather than stocks and bonds that can be liquidated quickly
- As the newest iteration, has the least amount of consensus among practitioners about measurements and return expectations



About United Church Funds

United Church Funds provides investment management and planned giving services for more than a thousand churches and faith-based organizations. Our family of socially responsible, values-aligned funds spans the spectrum of risk and return providing solid investment performance to help you grow your assets and support your mission.



Investing with a
Mission: Performance
Beyond the Numbers

United Church Funds

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