IMPACT ASSETS PATHWAYS TO PROSPERITY IMPACT FUND

Available through the Venture Impact Program

ADVANCING SOCIAL OUTCOMES FOR COMMUNITIES IN U.S. AND CANADA

Wealth inequality is a significant issue in the U.S. and Canada. The top 10% of households in the U.S. hold over two-thirds of the country's wealth[1] and four in ten families struggle to afford basic needs.[2] While talent and skillset are equally distributed among all individuals, access to opportunities is not. These economic and social gaps are especially prevalent among low-income and disadvantaged communities, with millions of households and individuals lacking access to financial systems, basic products and services, and wealth building opportunities.

Public funding and traditional private markets alone cannot close this wealth and opportunity gap. Impact investors and philanthropists have a critical role to play in advancing prosperity for all by channeling capital to key areas aimed at closing the wealth gap and improving socioeconomic outcomes for communities in the U.S. and Canada.

ImpactAssets Pathways to Prosperity Impact Fund (the Fund) aims to improve socioeconomic outcomes for individuals, families and communities who have been historically disadvantaged. The Fund invests in impact funds and companies that scale financial products and services for low-income and disadvantaged individuals and families; provide affordable housing, education, energy and workforce programs; and increase access to capital for founders and fund managers deeply rooted within the communities they serve.

The Fund also prioritizes investments in solutions that are bolstered with supportive services, such as trainings, and in organizations that embrace positive business practices, such as inclusive hiring and transparent governance.

The Fund takes a multi-asset class approach, using different investment structures best-suited to address specific market gaps where private markets can have an outsized impact. Investments may include a mix of private debt, private equity and real estate. The Fund offers redemptions on a quarterly basis after a one-year lock-up period.

This investment opportunity may be attractive for investors interested in a professionally managed, diversified portfolio of high impact investments and who would like exposure to short and long-term investments with near-term liquidity.

STRATEGY SUMMARY

ASSET CLASS	Multi-Asset strategy, including Private Debt, Private Equity and Real Estate.
TERMS	Open-ended with quarterly liquidity at fair value with at least 90 days advance notice. One year lockup period. Redemptions subject to a 10% annual gate at the fund level.
TARGET RETURNS	3.6% net return to investors, dependent on interest rate environment.
FEES & EXPENSES	Fund operating expense is .35%. Third party investment management fees range from .75% to 2.0%, and may include carried interest, as appropriate for the asset class.*
FUND MINIMUM	$25,000
IMPACT THESIS	The Fund seeks to close the wealth gap and improve socio-economic outcomes for communities in the U.S. and Canada.
INVESTMENT THESIS	The Fund takes a multi-asset class approach that includes private debt, private equity and real estate investments in both funds and companies that advance social outcomes for communities in the U.S. and Canada. A multi-asset class approach provides for a diversified portfolio and expands the investable universe of mission-aligned opportunities.
GEOGRAPHY	U.S. and Canada

RISK RETURN MATRIX

The Risk Return Matrix is a risk calculation determined solely by ImpactAssets.

RISK LEVEL	NON-MARKET RATE	NEAR-MARKET RATE	MARKET RATE
HIGH			
MODERATE			
LOW			☑

RELATIVE RETURN

CLOSE THE WEALTH GAP

The bottom 50% of households in the U.S. hold less than 3% of the wealth.[3] Closing the $10 trillion racial wealth gap in the U.S. could increase GDP by 4-6% over the next decade and help underserved individuals, businesses and entrepreneurs gain access to low cost, safe financial products and services.[4] The Fund aims to make investments that support and scale financial products and services connecting communities to the financial mainstream and ensure flows of capital to businesses, funds and ventures to where it's needed most.

INVESTMENT SPOTLIGHT: COMMUNITY INVESTMENT MANAGEMENT

Community Investment Management (CIM)'s U.S. strategy provides strategic debt capital to small and medium-sized businesses (SMBs) and underserved communities in the U.S. Since 2014, CIM has provided over $2B in debt financing to more than 500,000 underserved borrowers including small businesses, low-income households and students. As of 2024, over a quarter of CIM's small business borrowers were in low-moderate income communities and across all its small business borrowers, CIM has supported 72,000 jobs creating economic stability for families and households. CIM's investments provide underserved borrowers with access to credit to build financial health for their households and businesses, helping to manage income, acquire assets and unlock growth opportunities.

IMPROVE LIVES AND OUTCOMES

Four in ten families in the U.S. struggle to afford or access basic needs, such as housing, energy, education and healthcare, which are critical to well-being. As a result, communities that have been historically excluded tend to experience worse socioeconomic outcomes and lack access to resources and opportunity. The Fund aims to invest in products and services that directly impact and improve opportunities and outcomes for underserved communities, including safe and affordable housing, appropriate and accessible healthcare, education programs, affordable clean energy and more.

INVESTMENT SPOTLIGHT: HOPE ENTERPRISE COPORATION

Hope Enterprise Corporation (HOPE) is a Community Development Financial Institution (CDFI) that has a long track record of investing in historically under-resourced people and places throughout the Deep South. As of March 2025, HOPE's business and economic development lending has supported 5,649 people in gaining access to affordable rental units, health care access for over 112,000 patients annually, improved education facilities for 22,000 students and more than 36,000 jobs created or retained, improving socioeconomic outcomes and helping to level the playing field for underserved and underestimated communities.

ADVANCE INCLUSIVE ECOSYSTEMS

To fuel economic resilience and growth, resources and support need to engage and center people who are most proximate to solutions and communities on the ground. The Fund will make investments that advance inclusive ecosystems by supporting the next generation of leaders, scaling alternative ownership models that allow all working individuals to benefit from company productivity and focus on investees that embody inclusive business practices.

INVESTMENT SPOTLIGHT: LOCAL INITIATIVES SUPPORT CORPORATION (LISC)

LISC is focused on providing access to capital and funding for businesses that remove barriers to economic mobility for all individuals. With a strong commitment to delivering products and services tailored to the communities it serves, LISC ensures its work is in deep collaboration with local communities and leaders. As of May 2025, LISC has invested $32B into communities and hosts regular regional convenings and peer learning opportunities to support community development leaders.

ABOUT THE VENTURE IMPACT PROGRAM (VIP)

VIP is an innovative way for MCF donors to engage in impact investing through philanthropy. Via a partnership with ImpactAssets—a market leader in impact investing—VIP enables philanthropic dollars to be directed towards both non-profit and for profit companies that are seeking to make positive social or environmental impact.

LEGAL AND PROGRAM DISCLAIMER: This is not a solicitation to buy or sell securities, nor a private placement offering pursuant to any private placement memorandum that must be issued to qualified investors. It is an informational description of charitably oriented, social purpose investment options that have been approved by ImpactAssets only for use in its donor advised fund asset base. It is only for use by its donors. This does not constitute tax advice. Please note there area number of factors to consider when assessing the tax implication of gifts to charity. Individuals should consult with a tax specialist before making any charitable donations. Any allocation to private debt and equity investment options may result in losses and illiquidity that will be borne solely by each donor advised fund account with investment in these options, as will associated program fees. Investment minimums apply. Grant making from the principal value will not be possible until distributions are returned to the ImpactAssets Donor Advised Fund. There is no guarantee of any recovery of capital. No assurance can be given that investment objectives or targets/projected returns will be achieved. Actual target may vary and should not be considered or relied on as a performance guarantee. As applicable, Fund Managers have not approved the information contained in the respective Fund profiles, including the assignment of risk ratings contained therein. The Units may be offered solely to, and subscriptions will be accepted only from "Accredited Investors," as defined in Rule 501(a) of Regulation D promulgated under the authority of the Act, who are also "Qualified Clients," as defined in Rule 205-3 of the United States Investment Advisers Act of 1940, as amended. ImpactAssets will make best efforts to facilitate client redemption requests, but grant making from the principal value will not be possible until distributions are returned to ImpactAssets. Redemption requests that exceed 10% of the balance of the overall Strategy may be subject to an annual redemption gate requiring 90 days' notice.

There is no guarantee that any projection, forecast or opinion around any given investment will be realized with respect to impact, performance or liquidity. Past performance does not guarantee future results.

1. The State of U.S. Household Wealth | St. Louis Fed
2. Center on Budget and Policy Priorities
3. Wealth distribution U.S. 2024 | Statista
4. The economic impact of closing the racial wealth gap | McKinsey

**Third party fund managers have historically included but are not limited to impact investing leaders such as Calvert Impact Capital, Community Investment Management, Kimpact Evergreen Real Estate Fund, ImpactAssets Capital Partners, Rethink Education and others.*

SUSTAINABLE DEVELOPMENT GOALS

1 NO POVERTY

3 GOOD HEALTH AND WELL-BEING

4 QUALITY EDUCATION

8 DECENT WORK AND ECONOMIC GROWTH

10 REDUCED INEQUALITIES