

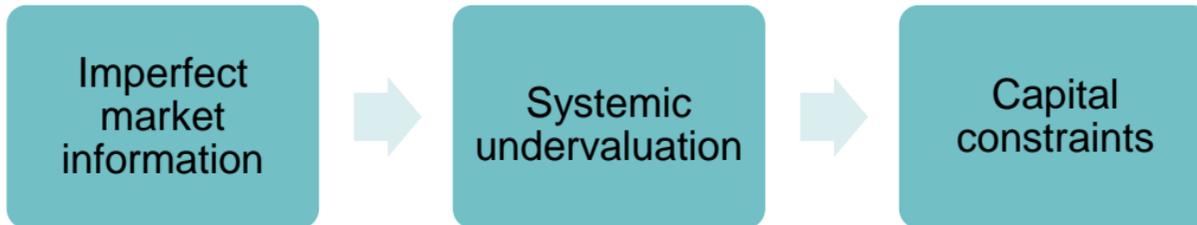
Emerging Domestic Markets (EDM)



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People, places, or enterprises with growth potential

Barriers to EDM growth

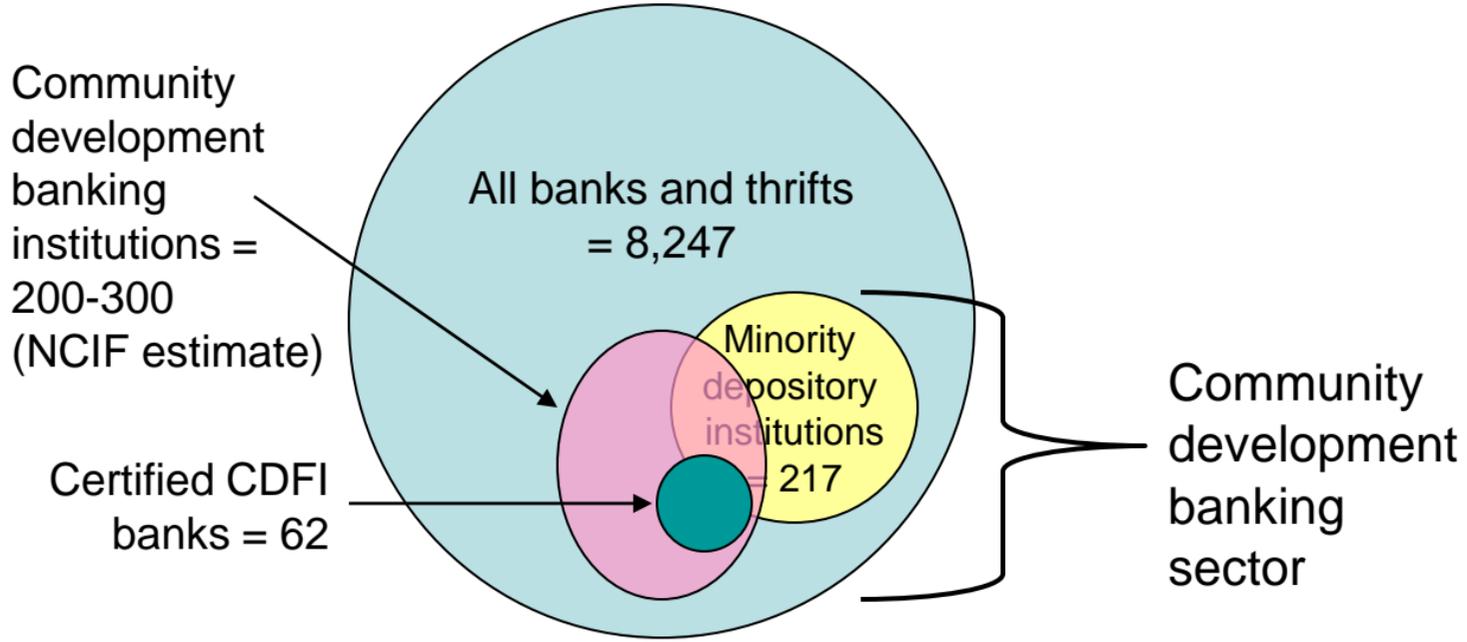




Examples of EDMs

- Ethnic- and women-owned firms
- Urban and rural communities
- Companies serving low- to moderate-income populations

Size of community development banking sector



Source: Adapted from National Community Investment Fund.

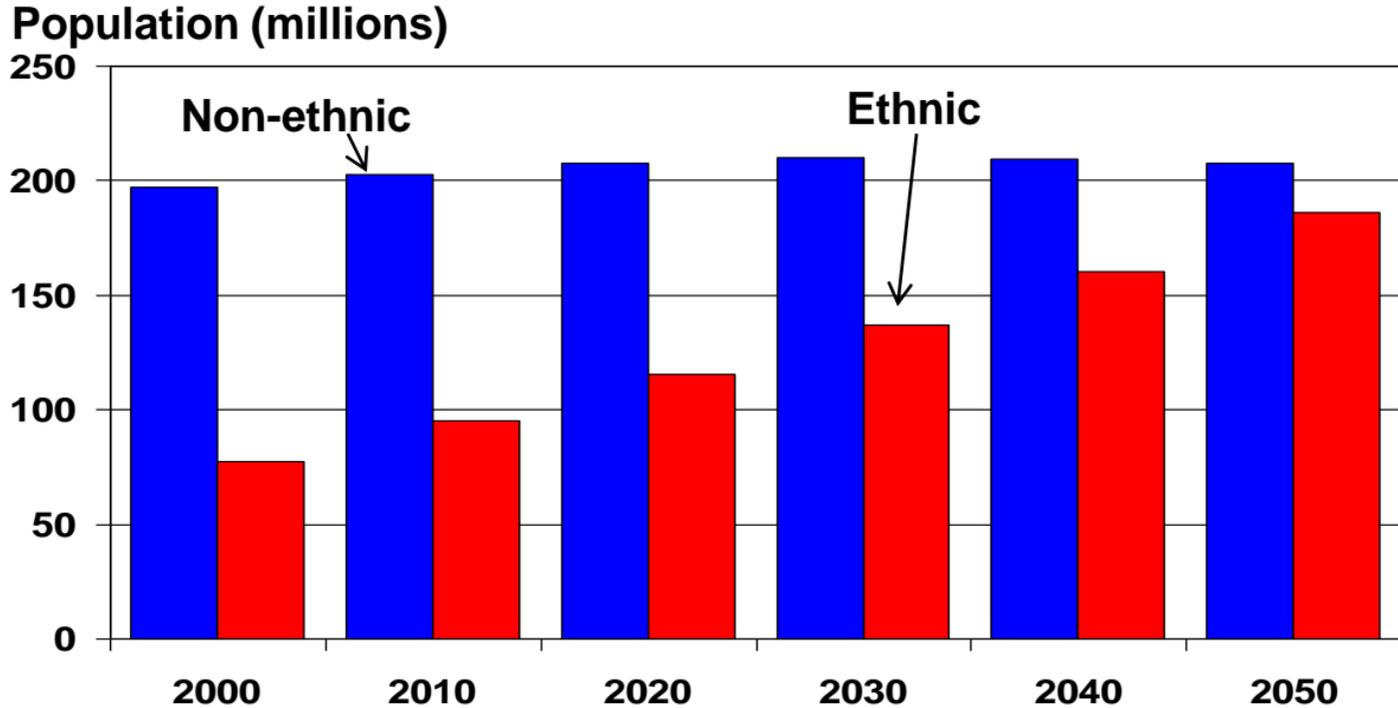
CDFIs expect demand for financing will continue to increase *1Q 2011 survey of CDFIs*



Respondents reporting:	Percent
Being capital constrained	28%
Originations did not keep pace with demand	34%
Average portfolio-at-risk	8.5%
Expectations that demand for financing will increase	67%
Increase in capital liquidity	45%

Source: Opportunity Finance Network, "CDFI Market Conditions Report: First Quarter 2011" (June 2011).

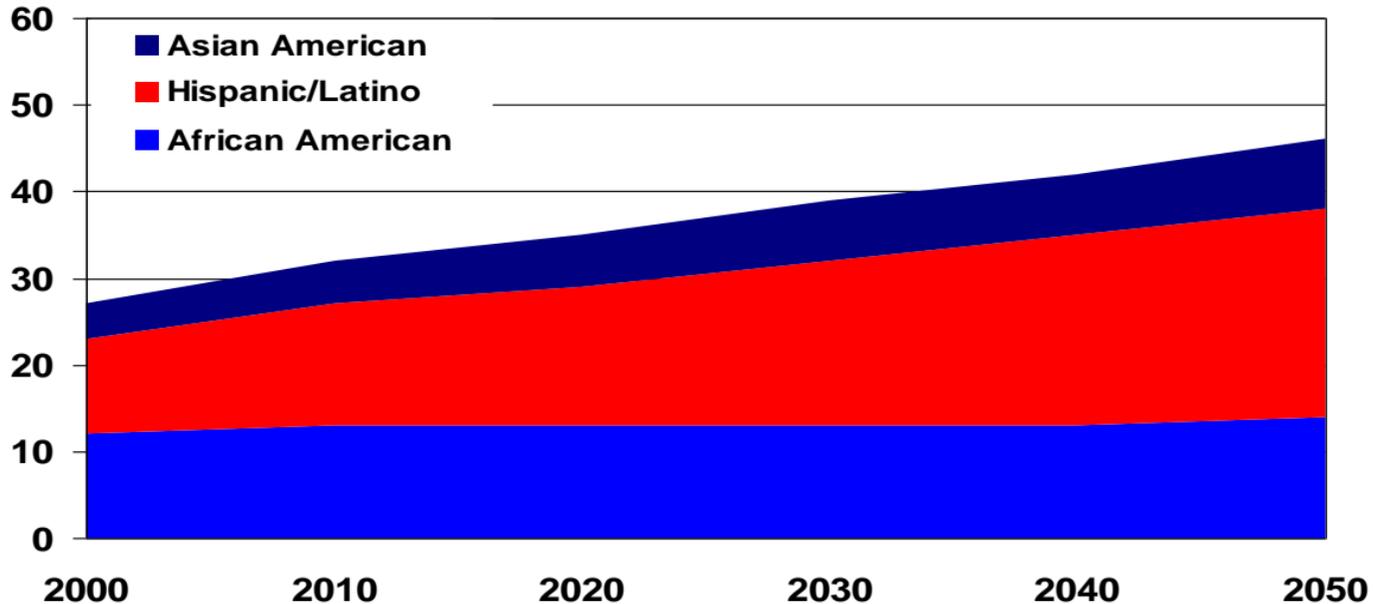
Future population growth due to ethnic population



Source: Minority Business Development Agency.

Projected growth of U.S. ethnic populations

Percent of total population



EDM investment opportunities

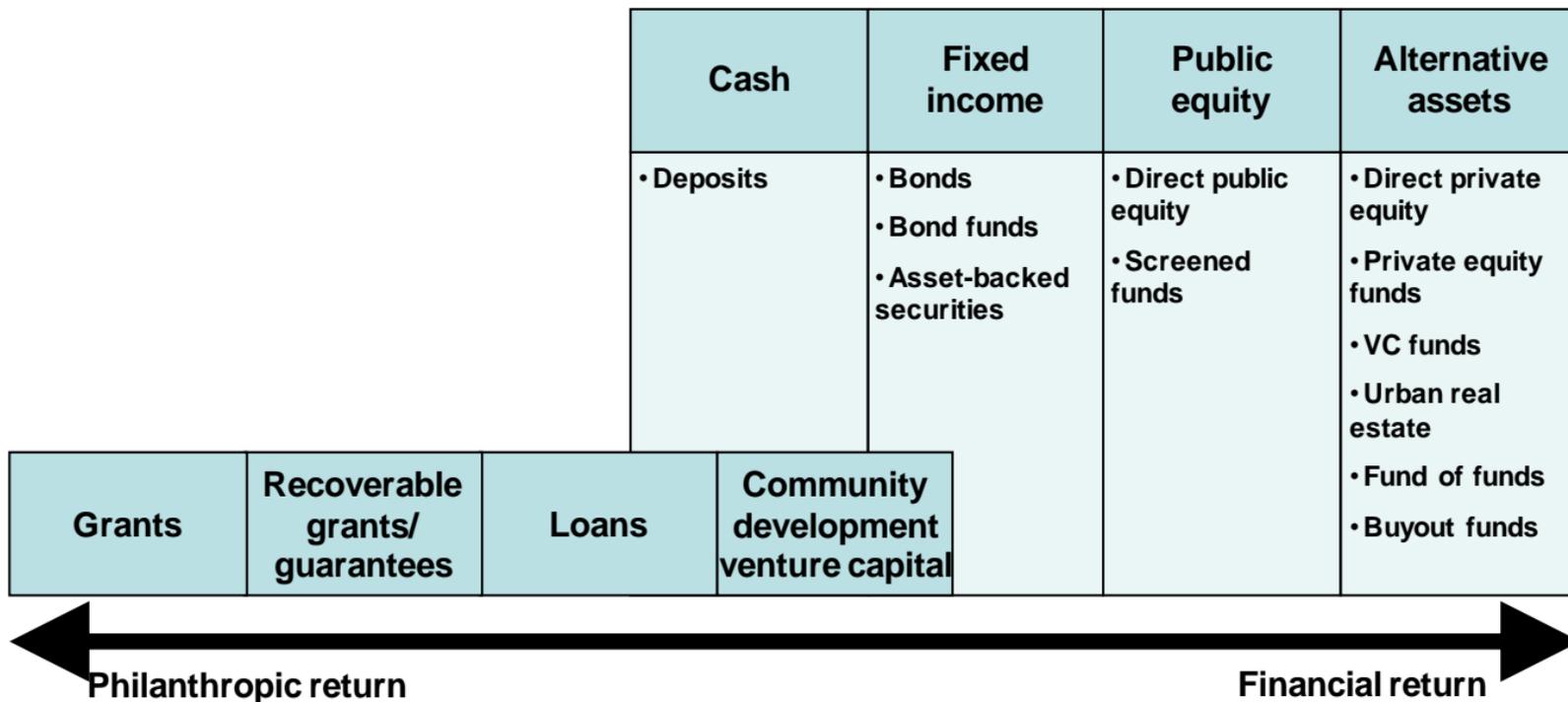
Across asset classes



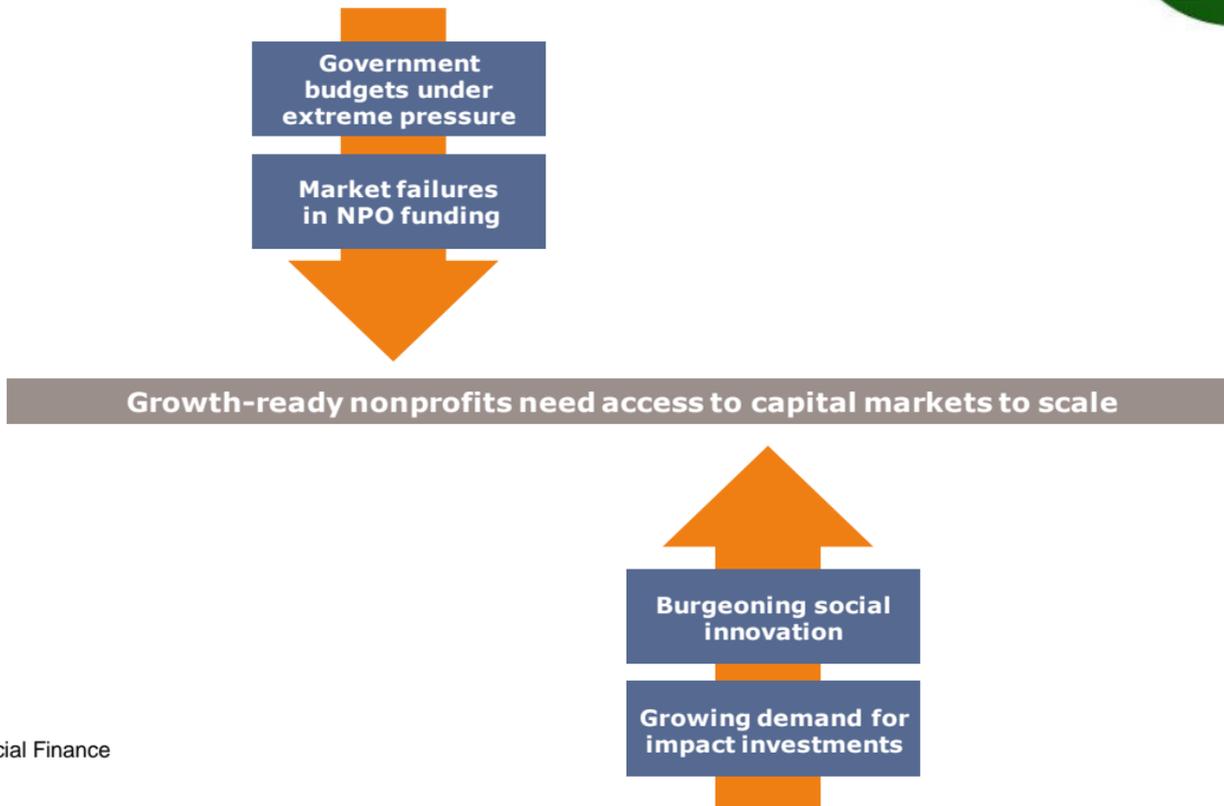
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- Public equities
- Fixed income
- Alternative investments
 - Real estate
 - Private equity
- Cash

Continuum of EDM investments

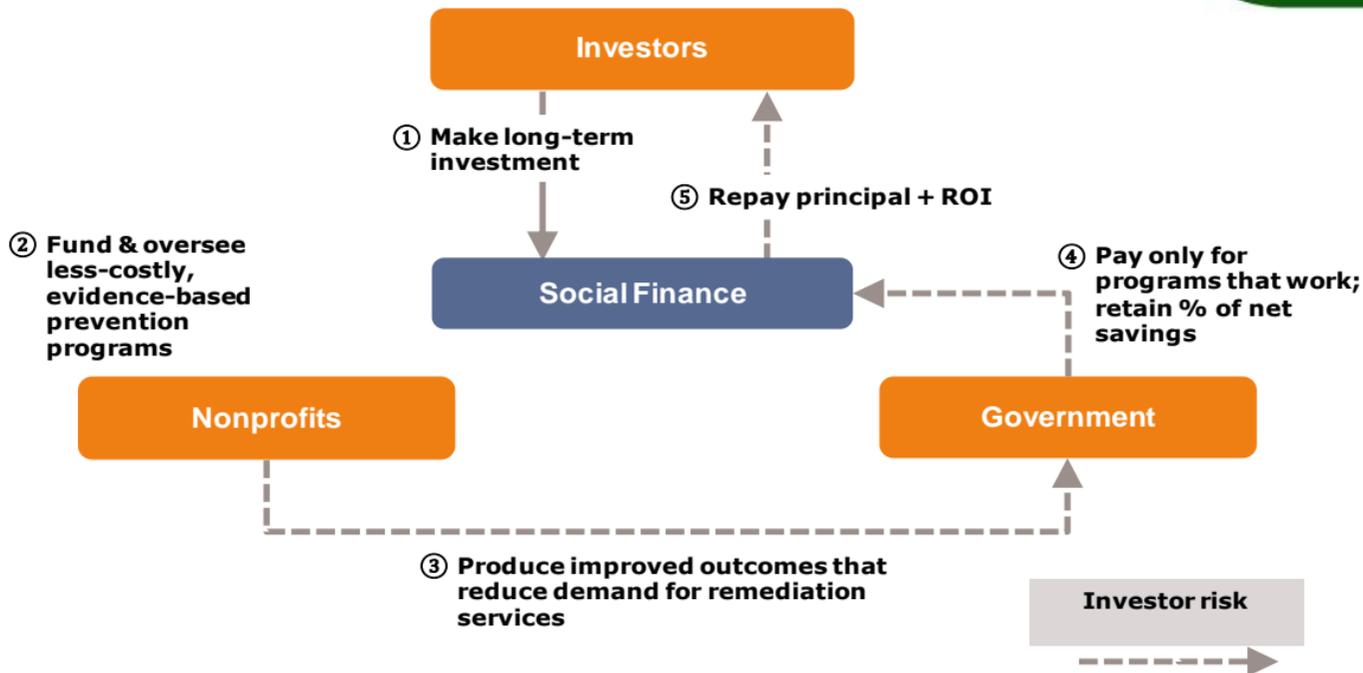


SIBS: Market context



Source: Social Finance

SIBS: An innovative *public-private-nonprofit partnership*

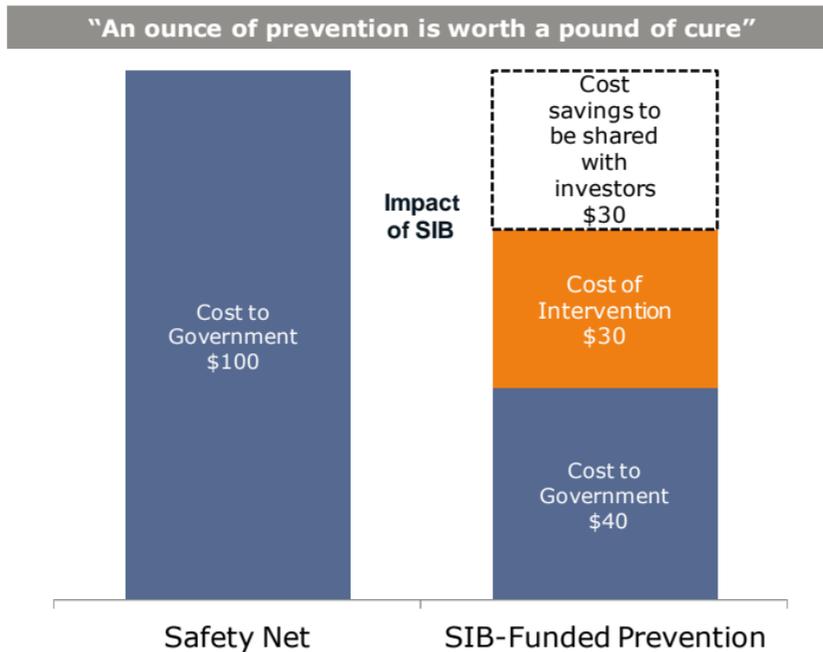


SIBs employ private investment capital to fund and scale preventive social programs delivered by highly-effective nonprofit service providers. The government pays investors their principal and a rate of return, but only if and when the programs achieve predefined metrics.

SIBs “monetize” social outcomes



SIBs monetize social outcomes by capturing the value between prevention and downstream remediation expenditures in the form of future recoverable government savings

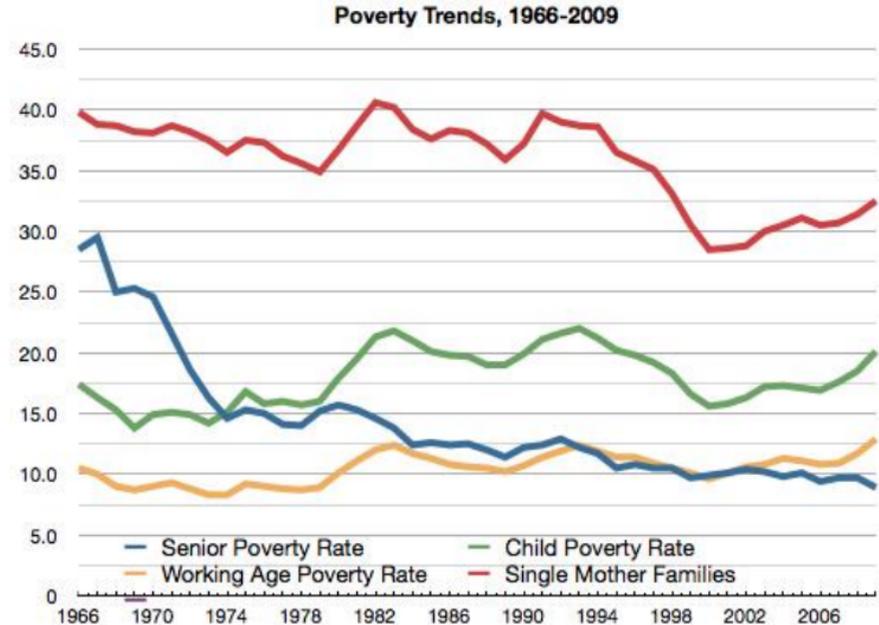


Note: The numbers used above are for illustrative purposes only

Source: Social Finance

Poverty in America

- » 1 out of every 5 adults work for poverty level wages
- » 46.2 million Americans live in poverty today
- » 1 out of 3 deaths can be tied back to poverty related ailments



Center for the Greater Good

challenges in addressing poverty through community development



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Foundations

- Engaged in high risk investments to afford 5% payout
- Investment practices not aligned with their mission
- Lacking impact measurement tools to validate grants made

Non-Profits

- Fewer grant dollars available
- “Hand-out model” is not sustainable and detracts from services offered
- Lack of impact measurement tools to validate use of grant funds

Developers

- Subsidy and tax credit dollars drying up
- Scarcity of resources as non-profits close due to lack of funding
- Lack of impact measurement tools to validate services offered onsite

Communities

- Socio-economic divide grows daily
- Lack of holistic services offered in communities
- Most programs created without the input of end recipients

Center for the Greater Good

rethinking what it means to invest



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Our Social Mission

To reduce the impact of poverty by building healthy communities – environmentally sound, economically sustainable, places for people to live, learn and prosper.

Our Initiative

Help philanthropic investors reinvest 10% of their portfolios into our communities over the next 10 years, by changing the financial model for community development.

Our Innovative Approach

Recognizing that the industry could not continue to follow the same models and expect different results, Center for Greater Good has defined a new model for funding, delivering, and measuring community development.

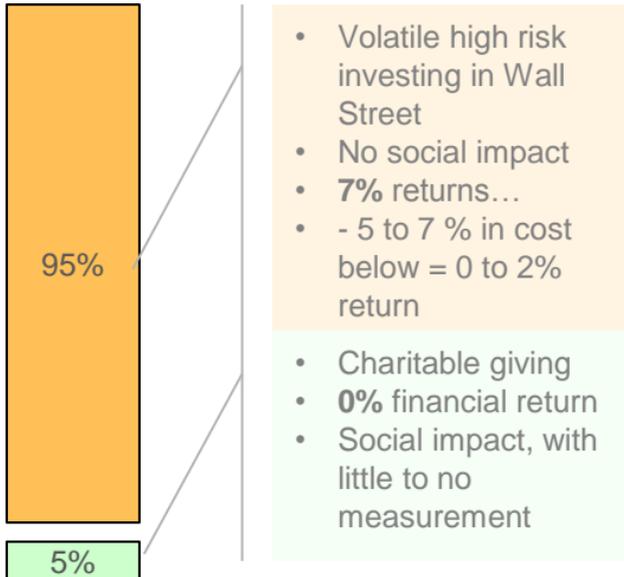
Center for the Greater Good

philanthropic investment models

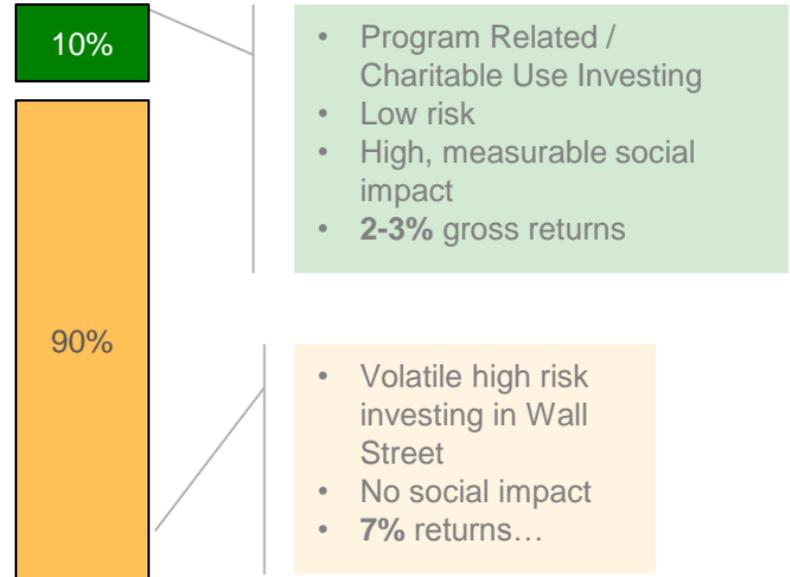


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Traditional Portfolio



Enlightened Portfolio



Center for the Greater Good

fund flow



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