

THE CONSERVATION FUND

I. About the Conservation Loans Program

Through our Conservation Loans Program, The Conservation Fund (“TCF”) helps different types of entities, including for example local land trusts, nature centers, conservation districts, historical societies, trail groups, food co-ops, tribes, and municipalities meet the need for conservation funding by providing capital when and where it is needed. Our goal is to assist and empower our borrowers to accelerate the pace of conservation in their operating region.

Since our first loan in 1993, we have made a lasting impact on conservation across the United States and Canada.

- By continually revolving our loan fund, we have provided almost \$250 million in over 400 loans to more than 200 partners.
- With our backing, local conservationists have protected over 161,000 acres across 40 states and five Canadian provinces—lands valued at nearly \$475 million.

These results would not be possible without the individuals and charitable foundations that have invested in our work and believe in conserving lands, connecting people to nature, and protecting the special places that matter most to communities across the nation. We are ready to support your needs and create transformational solutions that foster vibrant communities.

II. Eligible Organizations and Projects

The mission of TCF is to conserve America’s legacy of land and water resources, as well as to preserve historical and cultural resources and support balanced conservation solutions that emphasize the integration of economic and environmental goals. Loan projects with strong conservation values help TCF achieve its mission on behalf of the public.

Eligible Organizations: Non-profit, municipal, and tribal organizations in good standing.

Eligible Projects: To be eligible, a project must have a permanent conservation outcome:

- Conserving Land and Water – fee title acquisitions, conservation easement acquisitions, trail easement acquisitions and water rights acquisitions.
- Accessing Land, Water and Food – park or natural area infrastructure/access, trail installation/access, farmers’ markets/community coops/community farming capital assets.
- Recovering Land and Water – Habitat rehabilitation and restoration.
- Cultural and Historical landmarks
- Other – Do you have a project, program or initiative in need of funding? Give us a call to discuss.

TCF is an accredited land trust and follows the Land Trust Alliance’s Standards and Practices. For that reason, as well as legal and regulatory structures affecting nonprofits, only in rare circumstances will TCF lend to projects in which the purchase price exceeds the fair market value. Contact staff to discuss your project.

THE CONSERVATION FUND

III. How to Apply for a Loan

Please work with your local or regional TCF staff contact to submit a loan application. Staff will provide the full loan application packet if staff believes the project would qualify to be brought before our review Committee for consideration. See “Section V. Loan Application Checklist” for the full list of items TCF will need to review to consider and then fund a loan. We review loan applications every three weeks at our Committee meetings, but please contact us as soon as possible to discuss.

Except for extraordinary circumstances, we will not review requests that need to close within 60 days. The loan approval process generally takes three weeks, so please plan accordingly.

If you do not know your local TCF staff contact, please contact **Andrea Ferri, (703) 908-5818, or aferry@conservationfund.org**, to inquire about a Conservation Loan.

IV. Standard Loan Terms

- **Minimum Loan Amount:** \$200,000
- **Interest:** Ranges between 70-100% of the current Prime lending rate. It is a fixed rate once the loan is made.
- **Term Length:** Minimum of 90 days and maximum of 3 years.
- **Payment Schedule:** Balloon Note with principal and interest due at maturity.
- **Pre-payment penalty:** None, however, if a loan, or portion of a loan, is repaid fewer than 90 days after funding, 90 days’ worth of interest will be due.
- **Origination Fee:** None.
- **Application Processing Fee:** None. However, if a project is reviewed and approved by TCF and the loan does not close within six months after approval, we will charge a \$500 application fee.
- **Extension Fee:** If you need to renegotiate or extend the term of loan once funded, it is at our discretion to approve that extension, and in such case, adjust the interest rate or charge a loan extension fee.
- **Loan Commitment:** Our commitment to fund the loan shall last six months from date of approval. If the commitment expires, you will need to re-apply for the loan.
- **Loan Closing Costs:** Borrower will cover all closing costs.
- **Collateral:** We seek to secure our loans 100%. Please discuss with TCF staff contact to go over collateral options.
- **Press and Media:** We require that you acknowledge our involvement in the project and that we have the opportunity to review all project press releases and publications prior to release. If you need assistance with press or media relations, do not hesitate to contact us.

Please note that any of the above terms and conditions are subject to change and tailoring to the specifics of a project based on the project structure and final approval from the review Committee.

THE CONSERVATION FUND

V. Loan Application Checklist

To be submitted with the Loan Application:
<ul style="list-style-type: none"> • Completed Application (staff will provide after discussing the project) • Map: Regional Perspective • Map: Aerial Photo and/or USGS Topographic Map • 2 or more representative photos • Current year's budget with balance sheet and income statement • Previous 3 years financial statements • Previous 3 years IRS Form 990s
If loan request is approved, the following must be submitted to TCF at least two weeks prior to closing:
<p><u>Project Property Specific</u></p> <ul style="list-style-type: none"> • Copy of appraisal: less than one year old as of the date of loan funding • Most recent deed • Proposed conservation easement document, if applicable • Phase I Environmental Site Assessment: The Phase I Assessment must be dated less than 180 days of loan funding, and if TCF is using property as security, that property must have a timely Phase I that meets the "all appropriate inquiries" standard. • Survey (if an ALTA survey has been completed already) • Title work and/or Title Insurance Commitment: if TCF is using property as security, TCF requires lender's extended title insurance • Letter(s) of Commitment from "take out" sources • Fundraising plan if part of your repayment plan
<p><u>Organizational Specific</u></p> <ul style="list-style-type: none"> • Certificate of Good Standing from Secretary of State • IRS 501c(3) Letter of Determination • Board Resolution Authorizing the loan and acquisition of the property, the use of asset as collateral, as well as signature authority for those signing closing documents and loan documents
<p><u>Collateral Specific</u> <i>(if real property is used as collateral, and is not the project property)</i></p> <ul style="list-style-type: none"> • Map: Regional Perspective • Map: Aerial Photo and/or USGS Topographic Map • 2 or more representative photos • Copy of appraisal (see above) • Most recent deed • Phase I Environmental Site Assessment (see above) • Survey (if an ALTA survey has been completed already) • Title work and/or Title Insurance Commitment (see above)