

**CLIMB Fund**  
Lending for Opportunity

*Strategic Plan*  
*2023-2028*



# CLIMB Fund Strategic Plan

## Overview

CLIMB Fund's 5-year Strategic Plan has seven objectives. Each objective falls under one of five themes— **Impact, Deployment, Financial Strength, Capitalization, and Organizational Development**—aimed at expanding financial services to small businesses more broadly throughout South Carolina and more deeply in the areas that need it most. Each theme carries a set of measurable goals that CLIMB Fund will achieve to successfully implement the Strategic Plan.

## Strategic Objectives

1) Deepen CLIMB Fund's impact on the **financial health of BIPOC and rural entrepreneurs** with a focus on supporting **startup and early-stage** microenterprises and businesses.

2) **Increase the volume** of microenterprise and **small business loans and technical assistance.**

3) Prioritize **financial strength** to deliver exceptional **long-term financial performance.**

4) **Increase operational efficiency** through process improvement, third-party contracting, and continued technology implementation.

5) Increase and **diversify** CLIMB Fund's **loan capital pool** to best support portfolio growth.

6) **Diversify** sources of **operating capital** to scale loan deployment.

7) Prioritize **staff development and retention** to achieve and manage programmatic growth.

## Goals 1 & 2

### 1) Impact

CLIMB Fund will 1) target entrepreneurs not served by conventional financial institutions and 2) focus on helping business owners create jobs and build personal wealth.

#### Goal:

- Develop enhanced impact tracking for and improvement in selected borrower metrics.
- Ensure 69% of borrowers are BIPOC, 50% startup/early-stage, and 25% will be rural.

### 2) Deployment

CLIMB Fund will take risk needed to serve the target market, provide more TA, and increase visibility through marketing and referral sources to grow the pipeline.

#### Goal:

- By '28, close 843 loans worth \$40.6M.

## Goals 3, 4, & 5

### 3) Financial Strength

Our goals for financial strength will ensure the organization is prepared for all economic environments and that CLIMB Fund can balance deployment priorities that require investment with expense management.

#### Goal:

Maintain the following thresholds:

- Minimum increase in unrestricted net assets of no less than \$100k/year.
  - No less than 4% rate of return on invested assets.
  - Minimum net assets ratio > 40%.
  - Maximum default rate < 2%.
- Prioritize the development of new sources of earned revenue in the development and management of CLIMB Fund commercial properties. CLIMB Fund owns its current headquarters, but the space is at capacity and lacks facilities for community engagement. A new HQ will create opportunity for new income streams and provide investment in the local community. Our goal is to create a childcare facility in CLIMB Fund's new commercial space to support staff and the local area.

### 4) Capitalization

CLIMB Fund aims to increase and diversify its loan capital pool and operating capital to support portfolio growth. Strong unrestricted loan funds will fortify the current loan capital pool so that CLIMB Fund can expand its lending capacity and reach a broader range of entrepreneurs.

#### Goal:

- By '28, raise \$24.5M lending capital and \$4.65M operating capital and develop 10 new sources (+2 per year) for each.

### 5) Organizational Development

A skilled and committed team is paramount to achieve programmatic growth. By prioritizing staff development and retention, CLIMB Fund will build a strong workforce equipped with the expertise necessary to effectively support entrepreneurs, manage expansion, and deliver high-quality financial services. In addition, improving processes, leveraging third-party contracting, and new technology advancements will enhance CLIMB Fund's operational efficiency. By 2028, CLIMB Fund will install new IT systems and upgrades, identify needs for consultants, and assess partnerships with TA consultants (existing and new) annually and adjust as needed.

#### Goal:

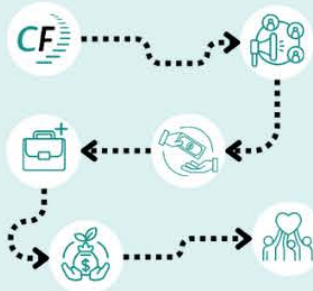
- Grow staff capacity by adding 12 new positions by 2028, adding 2-3 new full-time employees per plan year, and create a professional development program.
- Complete IT system installations and upgrades by 2024.
- Launch new website in 2024.
- Deploy cross-functional teams' approach to address process improvement issues.
- Identify expansion needs for consultants and deploy consultants annually based on assessment.
- Assess partnerships with TA consultants annually and adjust as needed.

# CLIMB Fund Strategic Plan

CLIMB Fund creates access to capital, jobs, and opportunities where they would not otherwise exist. As a non-profit Community Development Financial Institution (CDFI), we leverage capital to create local impact, elevate opportunity, and advance social and economic justice.

## Strategic Goal #1 IMPACT

CLIMB Fund will prioritize entrepreneurs not served by traditional financial institutions and focus on helping business owners create jobs and build personal wealth.



### Goals:

- Develop enhanced impact tracking for and improvement in selected borrower metrics.
- Ensure 69% of borrowers are BIPOC, 50% startup/early-stage, and 25% will be rural, focusing on Persistent Poverty Counties.

## Strategic Goal #4 CAPITALIZATION

CLIMB Fund will increase and diversify its loan capital pool and operating capital to support portfolio growth. Strong unrestricted loan funds will fortify the current loan capital pool so that CLIMB Fund can expand its lending capacity and reach a broader range of entrepreneurs.



### Goal:

- By '28, raise \$29.5M lending capital and \$4.65M operating capital and develop 10 new sources (+2 per year) for each.

## Strategic Goal #2 DEPLOYMENT

CLIMB Fund will implement best practices to serve the target market, provide more business consultation services, and increase visibility through marketing and referral sources to grow the pipeline.



### Goal:

- By '28, close 843 loans worth \$40.6M.

## Strategic Goal #5 ORGANIZATIONAL DEVELOPMENT

CLIMB Fund will focus on the development and management of the organization's commercial properties that create opportunity for new income streams and provide investment in the local community. The organization will also prioritize staff development and retention in addition to improving processes, leveraging third-party contracting, and implementing new technology to effectively support entrepreneurs, manage expansion, and deliver high-quality financial services.

### Goals:

- Build a new headquarters including a childcare facility, commercial kitchen, and community meeting space to provide value to the local community.
- Grow staff capacity by adding 12 new positions by '28 and create a professional development program.
- Complete IT system installations and upgrades by '24.
- Assess partnerships with business consultation service providers annually, adjust as needed, and identify expansion needs.

## Strategic Goal #3 FINANCIAL STRENGTH

CLIMB Fund will ensure the organization is prepared for all economic environments and that it can balance deployment priorities that require investment with expense management.

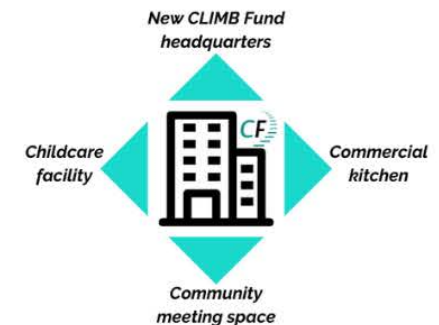


### Goals:

- Maintain the following thresholds:
- Minimum increase in unrestricted net assets of no less than \$100k/year.
  - No less than 4% rate of return on invested assets.
  - Minimum net assets ratio > 40%.
  - Maximum default rate < 2%.

## CLIMB Fund: A pillar of the community

The plans for the organization's new headquarters will take CLIMB Fund's mission one step further by serving the community not only through the business financial services it provides, but through its facilities themselves.



# Our Mission

Small business owners and entrepreneurs in South Carolina who have been historically denied access to capital are at the core of our mission to create social economic justice throughout the state. Meet a few of our clients here!



**Elwood Wine**  
Boiling Springs, SC  
elwoodprisonwine.com



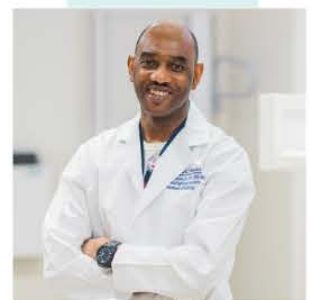
**Rock n' Roots Plant Co.**  
Pawleys Island & Charleston, SC  
rocknrootsplantco.com



**Too Good Foods Catering & Bistro**  
Hollywood, SC  
toogoodfoods.com



**Buddy's Market**  
Seneca, SC



**SealCath**  
Mount Pleasant, SC  
sealcath.com

## Investment opportunities

### OPERATING

Operating grants are crucial to supporting our mission-driven lending. We seek contributions to make prudent investments to develop our people, to implement new technology that drives efficiency, and to sustain and scale operations to allow us to serve the needs of small businesses.

### LENDING

Small businesses are the lifeblood of our communities, yet not everyone qualifies for a traditional bank loan. We need to raise lending capital to help dreamers bring their ideas to market, to ensure startups have working capital as they open their doors, and to help established businesses move to the next level in their growth. With a <2% default rate, our stewardship of outside investment is sound and our partners can feel confident their funds are making a difference.

### BUILDING

As our physical space has reached capacity, we seek to open a new headquarters while also revitalizing one of the fastest growing areas in the Low Country on the border of Hanahan and North Charleston. Our vision for our new facility will accommodate our growth needs AND serve the local community with a modern childcare facility, commercial kitchen, and state-of-the-art meeting space. Investment in this project will ensure that together, we bring new opportunities to the community and place CLIMB Fund in an area where our services are most needed.

