

Place-based Investing: Creating a Virtuous Cycle



CONSULTIVA
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Investment Management Consultants

A Registered Investment Adviser

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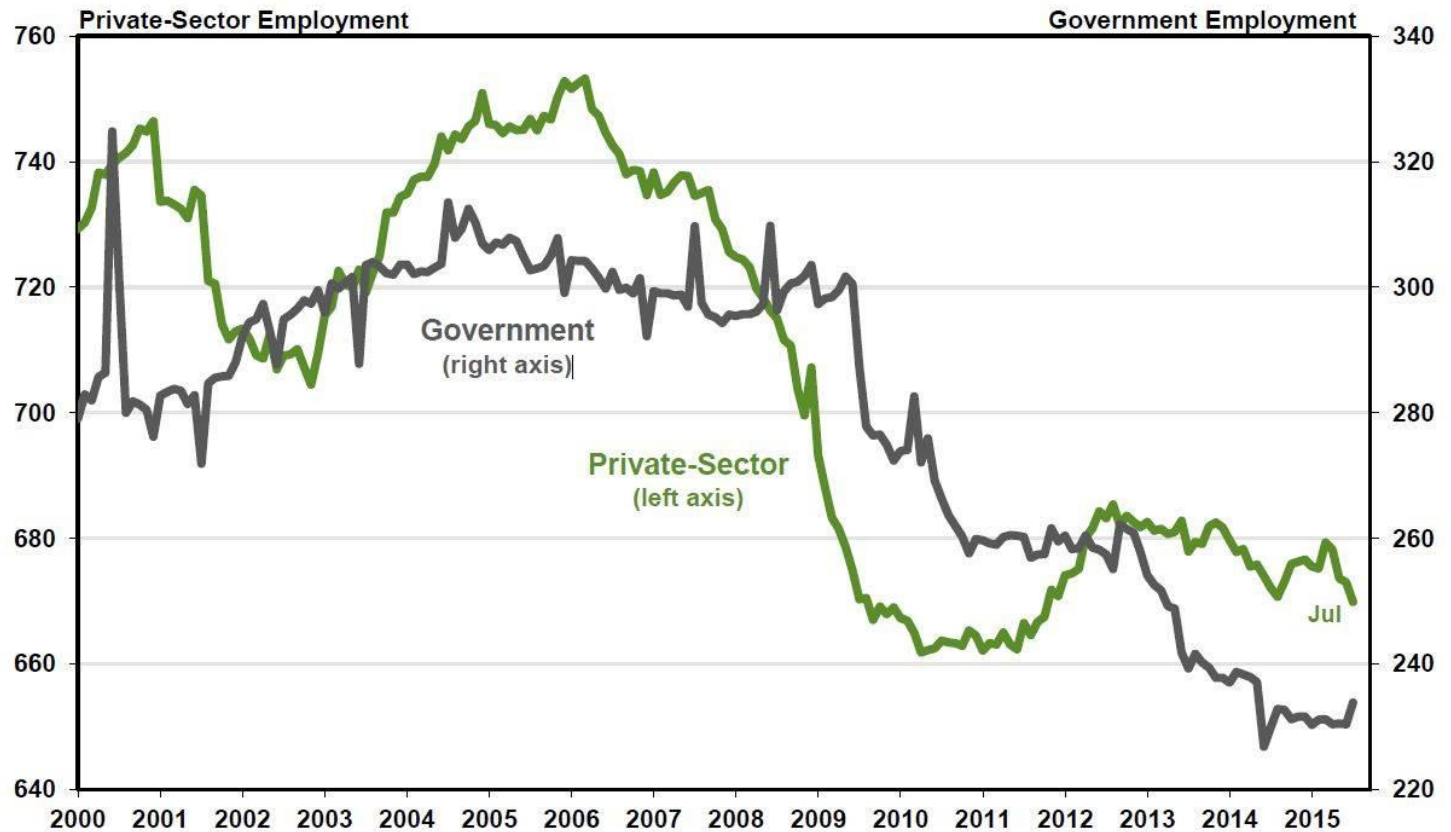
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Puerto Rico's private sector has picked up since 2012, while the public sector shrinks.

Next step:
Continue to grow the private sector.

Puerto Rico Employment Trends

Thousands



Source: Bureau of Labor Statistics and Moody's Economy.com.

Source: Federal Reserve Bank of New York

Point "A":

Where is the investment capital?

Puerto Rico's Fiduciary
and private portfolios.

± \$40 billion

1. Pension Funds
2. Insurers
3. Endowments
4. Foundations
5. CRA bank reserves
6. PR Science &
Technology Trust
7. Private Investors



How to deploy
investment capital
from
Point "A"
to
Point "B"?

Point "B":

Where do we need the investment capital?

1. Existing enterprises
2. New enterprises
3. Social enterprises (NGOs)
4. Micro-lenders
5. Incubators
6. Micro-enterprises

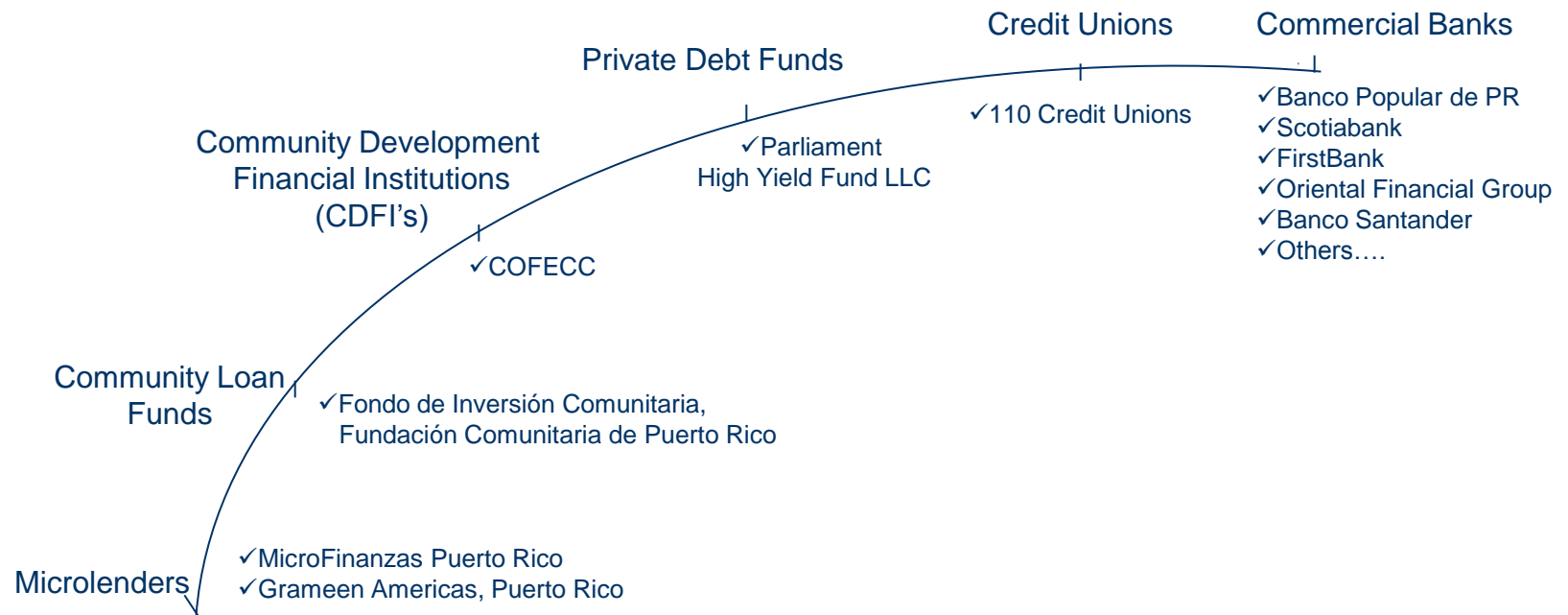
Create an “eco-system” of investment vehicles, that will provide a “**vía segura**”, (**route certain**)



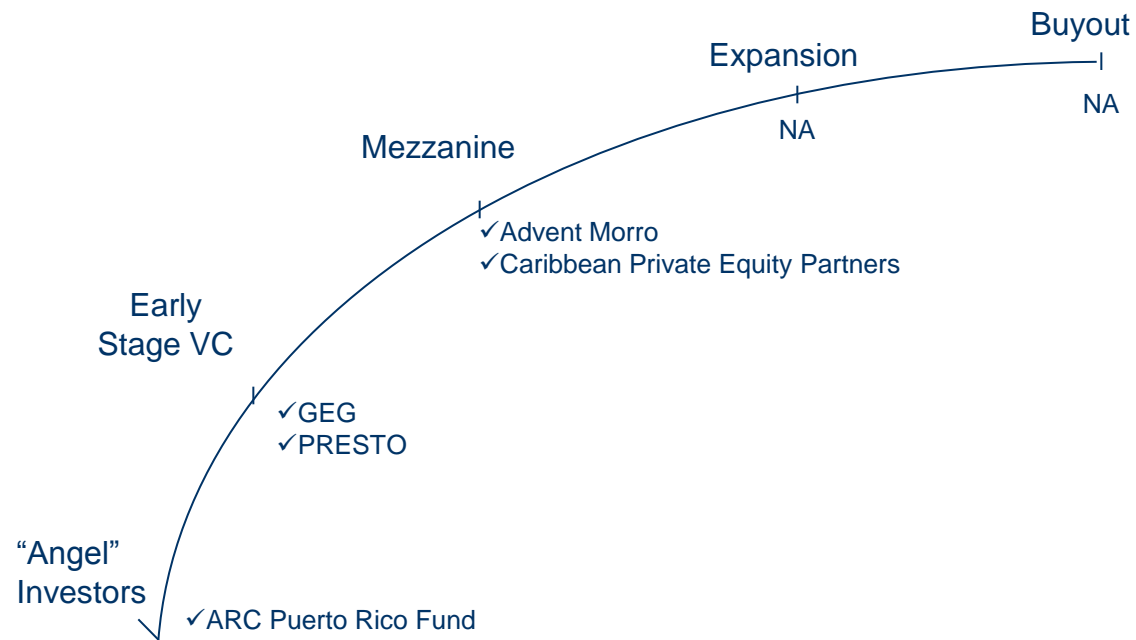
for fiduciary and private investment capital:

1. Community Loan Funds
2. Community Development Financial Institutions (“CDFI’s”)
3. Community Development Fixed Income
4. Venture Capital Funds
5. Private Equity

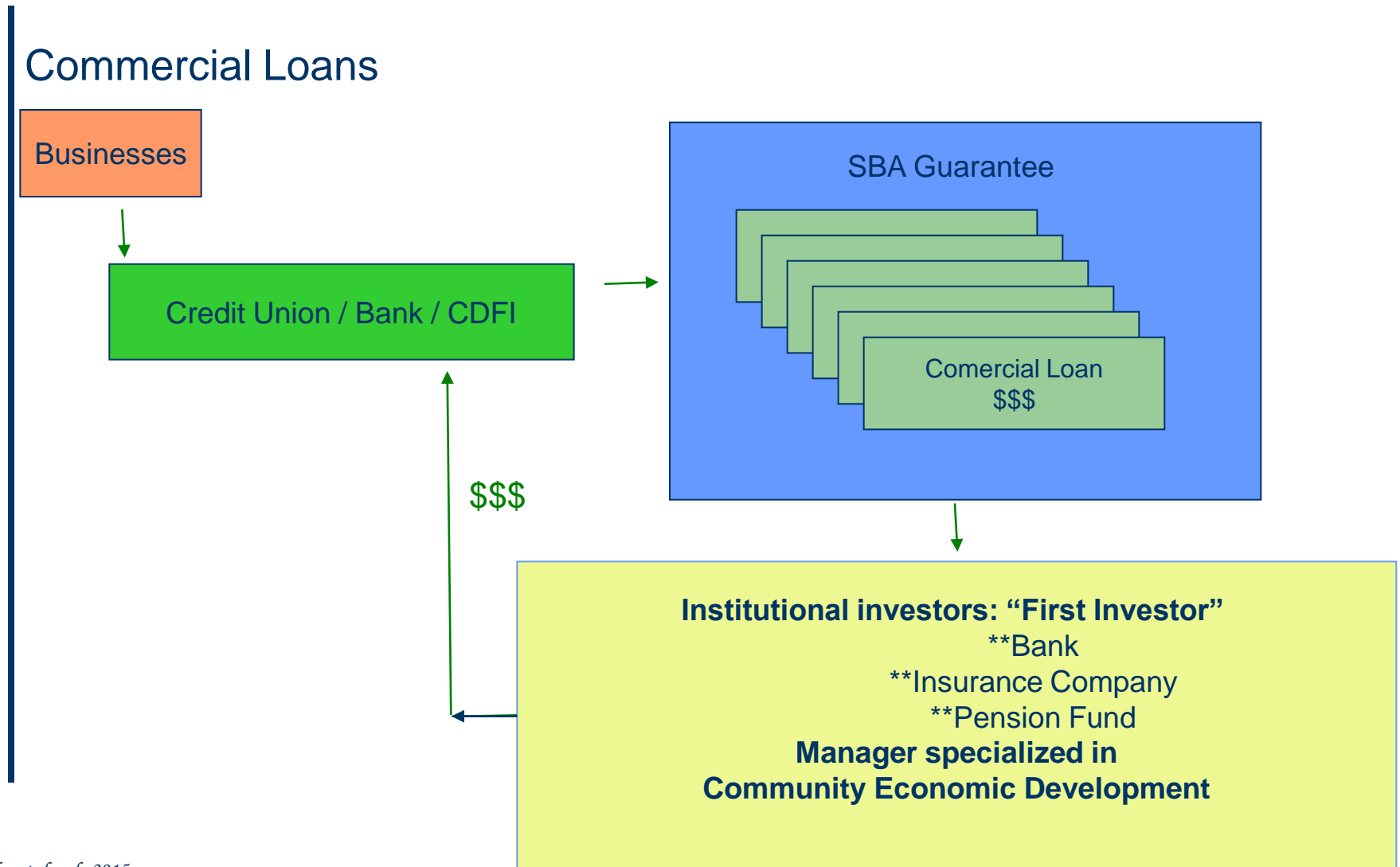
Access to Capital: The “Debt” Continuum



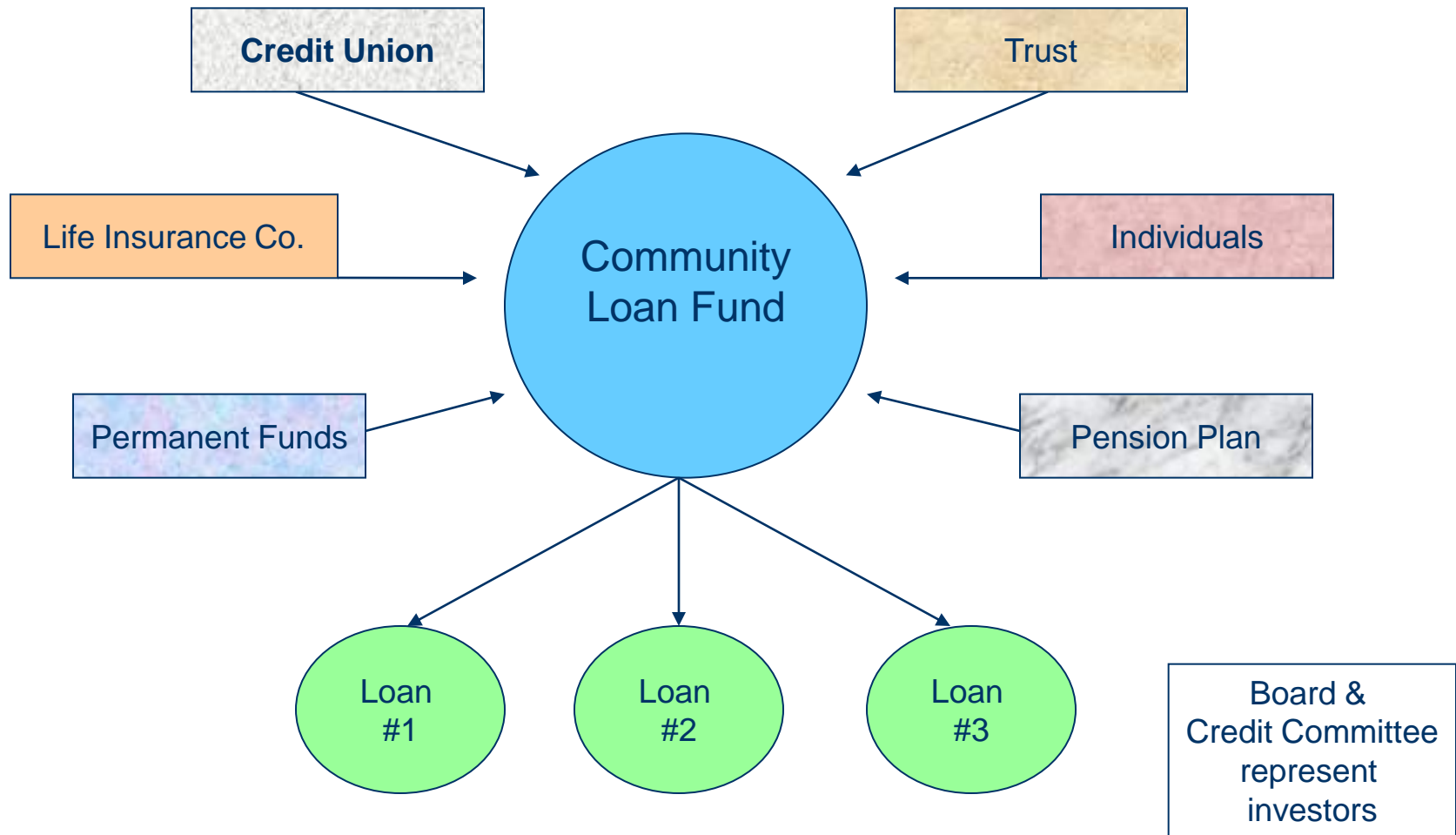
Access to Capital: The “Equity” Continuum



Community Development Fixed Income



Community Loan Funds



Venture Capital/Private Equity

