

## CASE STUDY

### Upper Murray Community Bakery (an initiative by Corryong Neighbourhood House)



Size: [ $<$  \$500,000]

The Upper Murray Community Bakery is an initiative by Corryong Neighbourhood House (CNH) to increase employment and training opportunities in rural Victoria. The commercial income stream generated by the bakery business also enables CNH to become less dependent on (government) grant funding. CNH was successful in securing a loan from Social Enterprise Finance Australia (SEFA) to purchase an existing bakery business. The bakery started operating in July 2015.

#### THE INITIATIVE

Purpose of capital	For Corryong Neighbourhood House to purchase a bakery business to create opportunities for employment, workplace training and additional income
Sector	Retail (Food)
Geography	Australia (Corryong in regional Victoria at the gateway to the Snowy Mountains, about 450km northeast of Melbourne)
Scale of impact	Once fully operational the bakery business will provide training and employment for up to 6 full time employees per annum and will generate an additional \$50,000-\$100,000 in commercial surplus to fund community projects.
Timeline	The opportunity to buy the next door bakery came up early 2015. In a matter of months a business plan was written and the Board approved the purchase of the bakery and gave its consent to borrow against existing properties. At the start of the 2016 Financial year the Community Centre owned the business and commenced trading.

## THE INVESTMENT

Investor/s	Social Enterprise Finance Australia (SEFA Loan Fund)
Investee	Corryong Neighbourhood House Inc. (CNH)
Investment structure and terms	Private investment <ul style="list-style-type: none"><li>Equity contribution from Corryong Neighbourhood House for 10% of the total project value</li></ul> Impact fund Investment <ul style="list-style-type: none"><li>Debt from Social Enterprise Finance Australia Ltd (SEFA) provided a term loan for 90% of the total project value</li></ul>
Arranger/Lead	N/A
Source of deal	CNH was referred to SEFA by a local government representative.

## THE IMPACT

Social, cultural or environmental impact	The objective is to provide training and employment for local youth and long term unemployed. It is expected that the bakery business (once fully operational) will employ 6 full time employees per annum.
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## FINANCIAL RETURN

Financial return	Undisclosed
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## OTHER

Future opportunities	CNH has identified other possible opportunities to create employment and additional income for community activities, but focusses on the bakery business first.
More information	<a href="#">Corryong Neighbourhood House</a> , <a href="#">Upper Murray Community Bakery</a>