LOAM

FUND I · 2026

Funding Guidelines for Founders

Debt capital for the missing middle of the climate economy

Loam Capital lends **$250,000 to $1,000,000** to climate businesses that already have proven technology, paying customers and clear unit economics. You keep your equity: we provide debt, sized to your contracted cash flows and repaid over 12 to 24 months. If you are too large for grants, too small or too unusual for a bank, and past the point where another equity round makes sense, Loam was built for you. Every loan has to pass two tests, one financial and one for impact. This guide explains both.

01 · WHAT YOU CAN GET

Loan types	**Senior secured loans, revenue-based financing, mezzanine financing and bridge loans**
Loan size	**$250,000 – $1,000,000**
Term	**12 – 24 months; most loans run about 18 months**
Security	**First lien on project or business assets and assignment of contracted cash flows (such as a PPA); personal guarantees only where appropriate**
Impact requirement	**A score of at least 70 / 100 on the Loam Impact Scorecard**
Ownership	**Debt, not equity. You keep your ownership, and the loan ends when it is repaid**

Is Loam Right for Your Business?

You are likely a fit if all of these are true:

- Your technology is proven and you are already earning revenue
- You need between $250,000 and $1,000,000
- Your revenue is contracted or recurring: PPAs, subscriptions, offtake, leases or purchase orders
- You can repay from that cash flow within 12 to 24 months
- Your work delivers measurable results: megawatts, carbon avoided or energy costs reduced
- You are willing to report on that impact once a year

03 · SECTORS WE FUND

Four Sectors, One Test: Proven Technology and Real Revenue

1

Distributed Energy & Storage

Commercial and community solar, behind-the-meter batteries, microgrids

2

Climate Software & Data

Energy management software, carbon accounting, grid optimization

3

Circular Economy & Waste-to-Value

Organic waste and biogas, materials recovery, sustainable packaging

4

Climate-Smart Agriculture & Water

Precision irrigation, regenerative agriculture systems, agricultural waste-to-value

Probably not a fit: pre-revenue companies, technology still being proven, or needs above $1,000,000 or longer than 24 months.

Two Tests: Repayment and Impact

TEST 1 · REPAYMENT

DEBT SERVICE COVERAGE

≥ 1.25x

Contracted revenue covers loan payments 1.25 times over, checked quarterly

LOAN VS. COLLATERAL

< 80%

The loan is less than 80% of the value of the assets securing it

COMMUNITY LENDING

≥ 25%

of Fund I loans go to companies operating in low-income & EJ communities

TEST 2 · IMPACT SCORECARD (100 POINTS)



	AREA	POINTS	WHAT WE LOOK AT
1	**Climate Impact & Emissions**	**50**	Carbon avoided, energy generated or saved
2	**Community & Equity**	**15**	Who benefits, especially low-income and EJ communities
3	**Economic Additionality**	**15**	Whether our loan makes something happen that otherwise wouldn't
4	**Founder & Governance**	**10**	Your team, ownership and how decisions are made
5	**Measurability & Reporting**	**10**	Whether you can track and report your results

WHAT YOUR SCORE MEANS

You need at least 70 / 100 to be approved. A score of 85 or more is Core Impact and gets preferred consideration. Below 70, we decline and, where we can, refer you to another funder.

Founders the System Wasn't Built For

We actively prioritize founders conventional lenders overlook. These are often strong businesses, not weak credits.

First-time founders looking for their first institutional loan

Women, BIPOC and underrepresented founders

Projects in low-income, energy-burdened or environmental justice communities

Operators in fragmented, relationship-driven markets larger lenders find hard to serve

A philanthropic reserve that absorbs early losses is what lets Loam lend where others won't. You still need to pass both tests.

06 · HOW THE PROCESS WORKS

1. **Introductory conversation**
   Tell us about your business, contracts and what the money is for.
2. **Application and documents**
   Share financials, contracts and impact data (checklist on the next page).
3. **Underwriting and impact scoring**
   Our own team runs both tests and makes the decision; nothing is outsourced.
4. **Terms and approval**
   Pass both tests and we agree on the loan structure and amount.
5. **Closing**
   First lien (UCC-1) filing, assignment of contracted cash flows, Loam named loss payee on your insurance.
6. **During the loan**
   Quarterly financials and an annual project and impact report. Same team from first call to final payment.

What You Agree To During the Loan

Security

UCC-1 filing, assignment of contract cash flows, and insurance naming Loam as loss payee.

Coverage and cash

Contracted revenue covers payments at least 1.25 times over, tested quarterly, and you keep a minimum cash balance at all times.

Reporting

Quarterly financial reports, plus an annual project and impact report: energy generated, emissions avoided, jobs and community investment.

Major changes

No material change in ownership, governance or operations without our written consent.

08 · WHAT TO PREPARE

- Recent financial statements and current cash position
- A repayment plan showing revenue covering loan payments
- Proof of insurance
- A short summary of your team, ownership and governance
- Contracts: PPAs, subscriptions, offtake, leases or purchase orders
- Assets that would secure the loan, with estimated values
- Impact data: energy, emissions avoided, jobs, communities served
- Project location, if in a low-income or EJ community

NEXT STEP · START WITH A CONVERSATION

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This overview is for information only and is not a commitment to lend. All loans are subject to Loam Capital's full underwriting, impact review and final loan documentation.