

Transition Whatcom Local Investing Survey Results

There were 88 responses throughout December 2010.
90% of respondents were Transition Whatcom members.

Potential Investors

Would you be willing to invest in Transition-related (local, sustainable) businesses?

Yes: 74 responses

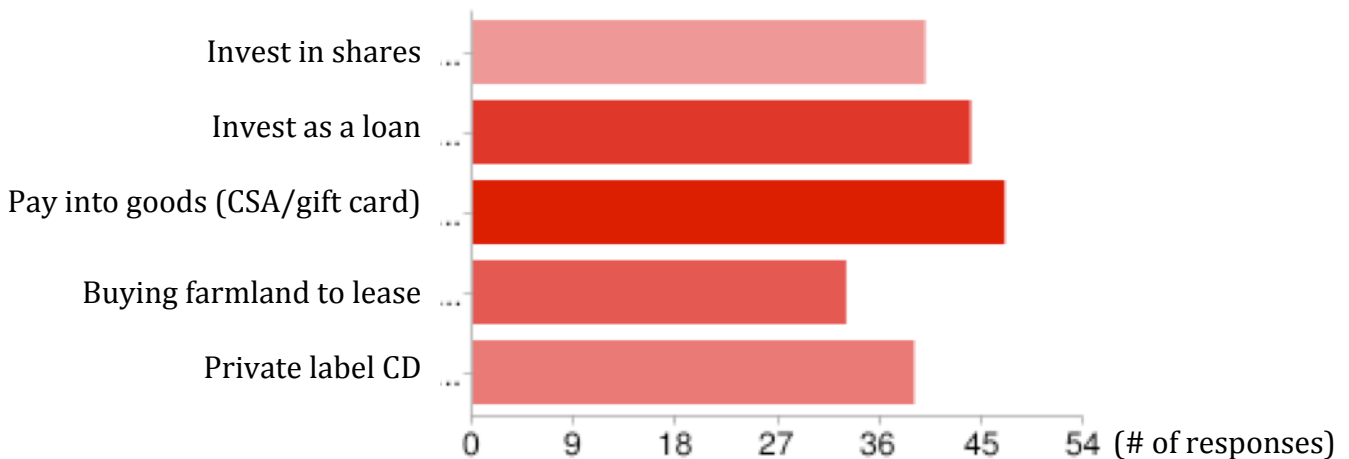
No: 9 responses

Do you currently have any local investments (other than in businesses you own)?

Yes: 15 responses

No: 68 responses

What type of investments would you be interested in making?



What amount might you invest locally (anything between \$25 and \$1million)?

Total for 88 responses: up to \$678,475

Average amount including all responses: \$7,709

Average amount excluding 22 blank responses: \$10,279

Note: There was one outlier response of \$200,000.

Average amount excluding outlier and blank responses (478,475/22): \$7,249

Potential Borrowers

Do you have a local, sustainable business that creates greater resilience in Whatcom County, or a business plan for one?

Yes: 31 responses

No: 37 responses

What type of investments would you seek?

- sell shares of your company: 12 responses
- accept loans and repay in US Dollars, with interest: 15 responses
- accept loans and repay with goods (CSA/gift card): 14 responses

Would you lease land for organic farming?

Yes: 26 responses

No: 14 responses

Have you tried borrowing from local banks or credit unions? If so, what was your experience? (Selected responses)

"A business plan I am developing would require roughly \$100,000 in investment for local production of a new product. I know I would have to pledge the equity in my home to secure a 5 to 6% borrowing rate, which I think is robbery for a fully-collateralized loan. I would rather borrow from a local consortium of micro-finance lenders, including some in-kind services, and would feel better about paying such a consortium the same rates."

"We have SBA commercial loan & business loans via Whidbey Island Bank. They've been most professional, competitive and supportive. I can highly recommend them. "

"We would consider borrowing money to preserve farmland with southern exposure & water access to share with other local consumers & a veggie/fruit farmer."

"Yes, but they have much tighter lending requirements and much higher interest rates compared with the mainstream banks."

"I'm unemployed and over 50. I'd like to launch my own business but have few resources. I am reluctant to attempt to get a loan until I see a turnaround in the local economy. I would barter more if I could. "

"Yes, it can be almost impossible to be approved for a loan if you are self-employed, grow your own food, DIY, and therefore make little "money" in a conventional sense. I would much rather borrow from and pay back capital to local investors who value sustainability projects."

"I have not borrowed from a bank (local or otherwise) since I took out a student loan in 1995. That student loan is paid off. I would prefer to work with local investors than a bank (be the bank local or otherwise)."

What amount do you need to borrow? Over what term? (Selected responses)

\$500,000 over 20 years

\$10,000, \$150/month for 6 years

\$10,000 per year

\$100,000 over 5 yrs

\$100,000 for 2 years

\$380,000 30 years

Find the land & people first.

\$2,000 over 2 years

\$500,000 over 15 years

\$2500 would go a long way over 3 years.

\$28,500

Depends-- \$100K upfront

\$2,500 to \$5,000 over two years