

## Welcome to the Venture Studio from Crisis Investment Application

We hope to make this as easy as possible for you. Please read the guidance below for more information on what we invest in, how we do it and what you can expect from us.

We are committed to fostering diversity and ensuring accessibility. If you require any reasonable adjustments to participate in our application process, please let us know. We are dedicated to accommodating your needs to the best of our ability.

If you would like to stay informed about the Venture Studio, our agenda of events and open webinars and our investment plans please sign up to our [newsletter](#) or follow us on [LinkedIn](#).

### 1. What do we invest in:

- a. Legal: Companies limited by shares based, operating, and registered in the UK
- b. Impact: You can describe what you do and how it helps advance one or more of our [fund ambitions](#). You capture or forecast data that shows positive change linked to your work. You are willing to introduce a mission lock to your articles of association. You might be working on areas such as:
  - i. Increasing high quality housing stock at affordable rent levels.
  - ii. Making long term tenancies more accessible and sustainable for those on benefits or lower incomes.
  - iii. Offering housing solutions for those with no recourse to public funds.
- c. Market: You have a clear understanding of the market you operate in. You have a strategy to overcome regulatory hurdles. You can describe why your product is best placed against your competition, why it is highly innovative and not easily replicable. You have evidence that customers will pay the target price. You can articulate what is your total addressable market (TAM) and the fraction you aim to capture over time.
- d. Business Model: You have a financial model with evidence of valid projections to reach positive unit economics.
- e. Growth Stage: You have a working product and are generating revenue. You are pre-Series A in your funding strategy. You have a path for financial sustainability and/or an exit strategy for investors.

- f. Team: You have a resilient management team, committed to impact and with the drive to build diverse teams. You have experience in the market you operate in. You are committed to embedding a homelessness impact framework to your operations and tracking performance against this.
- g. Funding round: You have secured commitment of a lead investor and are looking to raise funds in the next 12 months.
- h. Nice to haves:
  - i. Ability to directly impact a Crisis Member or enhance the way Crisis services are delivered.
  - ii. H2+ or H3 innovations (read more about [three horizons framework](#))
  - iii. Solutions that complement the work of our existing [portfolio](#).
  - iv. Teams that have lived experience of the problem or deep understanding of homelessness and housing.

## 2. What we do not invest in

- a. Solutions that focus on ‘managing’ homelessness rather than ending it.
- b. Products or services that are paternalistic in their approach and perpetuate poor framing of homelessness.
- c. Business models that do not have social impact at the core.

## 3. What we have invested in: We take good care in considering every investment opportunity on its own. This is a summary of how we have previously invested:

- a. Average ticket size: £112,000 consisting of negotiable parts of cash and programme support value.
- b. Instruments: We prioritise equity investments but have implemented convertible loan notes (CLN) and Simple agreement for future equity (SAFE) notes.
- c. DEI Metrics of founding teams as of June 2024:
  - i. Gender:
    - 1. 63% Female
    - 2. 36% Male
    - 3. 0% Other
  - ii. Ethnicity:
    - 1. White British, Irish or white other: 72%
    - 2. Black, Asian, or Mixed: 28%
  - iii. Lived Experience (Founders with experience of homelessness or risk of homelessness):
    - 1. Yes: 36%
    - 2. No: 63%
  - iv. Highest level of education:
    - 1. Secondary school/ College / Sixth Form: 18%

2. Undergraduate studies: 18%
3. Postgraduate studies: 45%
4. Doctoral studies: 18%
- v. Previous founding experience:
  1. No: 36%
  2. Yes: 63%

#### 4. What to expect from us

- a. **Application form:** We review all applications. If we think there's potential for us to invest, someone from the team will invite you to have an initial chat.
- b. **First call:** We want to meet the founding team, give you space to present your solution, ask questions about the venture, and make sure our expectations align. We share a non-disclosure agreement (NDA) and might expect you to share documentation about the venture business model and projections.
- c. **Second call:** This is a deep dive into the business, the assumptions that underpin financial models and the potential to help end homelessness.
- d. **Investment Due Diligence:** Our selection process is intensive, and we spend a large amount of time building a relationship with founders. This rigour is a feature, not a bug. We hope ventures understand our value comes from the endorsement of a leading homelessness charity which is best secured through a transparent process where we can test impact projections with experts by lived experience and leading researchers. This vetting also validates our decision to introduce portfolio companies to potential clients in our network. Partners in local government and social housing are a key route to scale for the most promising B2B startups we know. The due diligence process will include but is not limited to:
  - i. In depth analysis of business impact.
  - ii. Reference calls for founders' experience.
  - iii. Input from our team of Experts by Experience.
  - iv. Reviewing financial statements and understanding models and performance.
  - v. Detailed commercial & market analysis based on our above criteria.
- e. **Investment Committee (IC):** We take a selection of investments to IC, made by our diverse team of advisors including leading Angel and VC investors, for a decision. We invite founders to participate in this process and present their solution. If a decision is made to invest, we continue with refining the terms of the investment. The final decision, however, is made by Crisis' Senior Leadership Team (SLT) and Board of trustees.

- f. **Post IC Due diligence:** We work together in drafting the terms of our agreement and planning a growth programme that fits the business needs. This information and further due diligence complete the investment memo that is shared with SLT and trustees.
- g. **SLT sign off & Trustee approval:** Finalised investment memos are signed off by SLT and our board of trustees.
- h. **Growth Programme:** Once we have invested in your company, we support you with a 12-month growth programme and welcome you into the network of ventures that make our portfolio. Previous support programmes have included:
  - i. Pro bono legal support.
  - ii. Amplification through Crisis channels including shared press release and presentation to Crisis' Staff.
  - iii. Impact measurement and management specialist support.
  - iv. Introductions to partners in our network including housing associations, local authorities, financial institutions.
  - v. Investment readiness support and access to follow on funding.
  - vi. Founder coaching.
  - vii. Access to lived experience and co-production.
  - viii. Access to Crisis' client services for collaboration.

Previous iterations of the growth programme have included participation from our partners at EY, Herbert Smith Freehills, TPX Impact, Better Society Capital, Cambio, Studio Zao, TSIC and [others](#).

## 5. What we are expecting from you:

- a. **Engagement:** Most of the due diligence process relies on sharing information. We want to work with teams that care about making the process easier and faster. This includes ensuring access to documentation and engaging in the process from the beginning.
- b. **Reporting:** We work together with founding teams to identify key performance indicators (KPIs) that can measure progress towards ending homelessness. Ventures in our portfolio commit to reporting on these twice a year.
- c. **Mission Lock:** To secure the impact of our investments, we require ventures to introduce a [mission lock](#) to their articles of association. A mission lock is a legal mechanism designed to protect and safeguard the social or environmental mission of an organization, regardless of changes in ownership or shareholder structure. It ensures that the company's core purpose and values cannot be altered without approval from an independent governing body. This is, for example, a key requirement for B Corp certification.
- d. **How to apply:** Fill in [this form](#). This should take between five to ten minutes. We will ask for:

- i. A link to your website
  - ii. A link to your latest pitch deck
- And the questions we ask are:
- iii. Key Criteria:
    1. Our mission is to accelerate the end of homelessness. Please select which of the following, if any, your company aims to accomplish?
      - a. Building or enabling homes to be built at social rent level.
      - b. Increasing access to homes at social rent level
      - c. Benefiting people by preventing or sustainably ending their homelessness
      - d. Other
    2. Before we ask for more information. Does your company fit the following criteria:
      - a. Based and operating in the UK.
      - b. Limited by shares
      - c. Planning to raise funds in the next 12 months.
      - d. Willing to introduce a mission lock to your articles of association.
  - iv. Please provide a short description of your company
  - v. Please provide more details on how your company can help accelerate the end of homelessness.
  - vi. How much revenue have you generated in the last 12 months?
  - vii. What is your projected revenue for the next 12 months?
  - viii. How much capital are you seeking in your current funding round?
  - ix. How much equity are you offering investors in this round?
  - x. What is your current company valuation?
  - xi. Have you secured commitment from a lead investor (Y/N)?
  - xii. Please share a link to your latest pitch deck