IMPACT
REAL ESTATE INFRASTRUCTURE
CANADA

WHITE PAPER | JULY 2026

The IREI Tree Model™ for Impact Investment

Why Capital Cannot Scale Without Institutional Roots

A market-infrastructure framework for public-purpose investment

STANDARDS BEFORE SCALE. MISSION BEFORE CAPITAL.

Kelly P. Lin
Founder & CEO, IREI Canada™

"I have worked inside community organizations, Indigenous governance bodies, private development, and government housing programs. The problem looks different from each side, but the underlying gap is consistent: there is no shared infrastructure connecting public purpose, organizational evidence, and capital."

About This Paper

CORE PROPOSITION

Impact capital cannot scale responsibly by building more financial products alone. It requires institutional roots and shared market infrastructure strong enough to support them.

The argument

Impact-investment markets often concentrate on visible financial products: funds, guarantees, bonds, loans, and blended-finance structures. The IREI Tree Model™ argues that these branches can only grow reliably when the organizations and assets beneath them are supported by a common institutional trunk: standards, comparable evidence, governance protections, transparent underwriting, and trusted accountability.

The framework is intended for governments, impact organizations, foundations, financial institutions, investors, and intermediaries seeking to move public-purpose capital with greater confidence while protecting mission, affordability, and community authority.

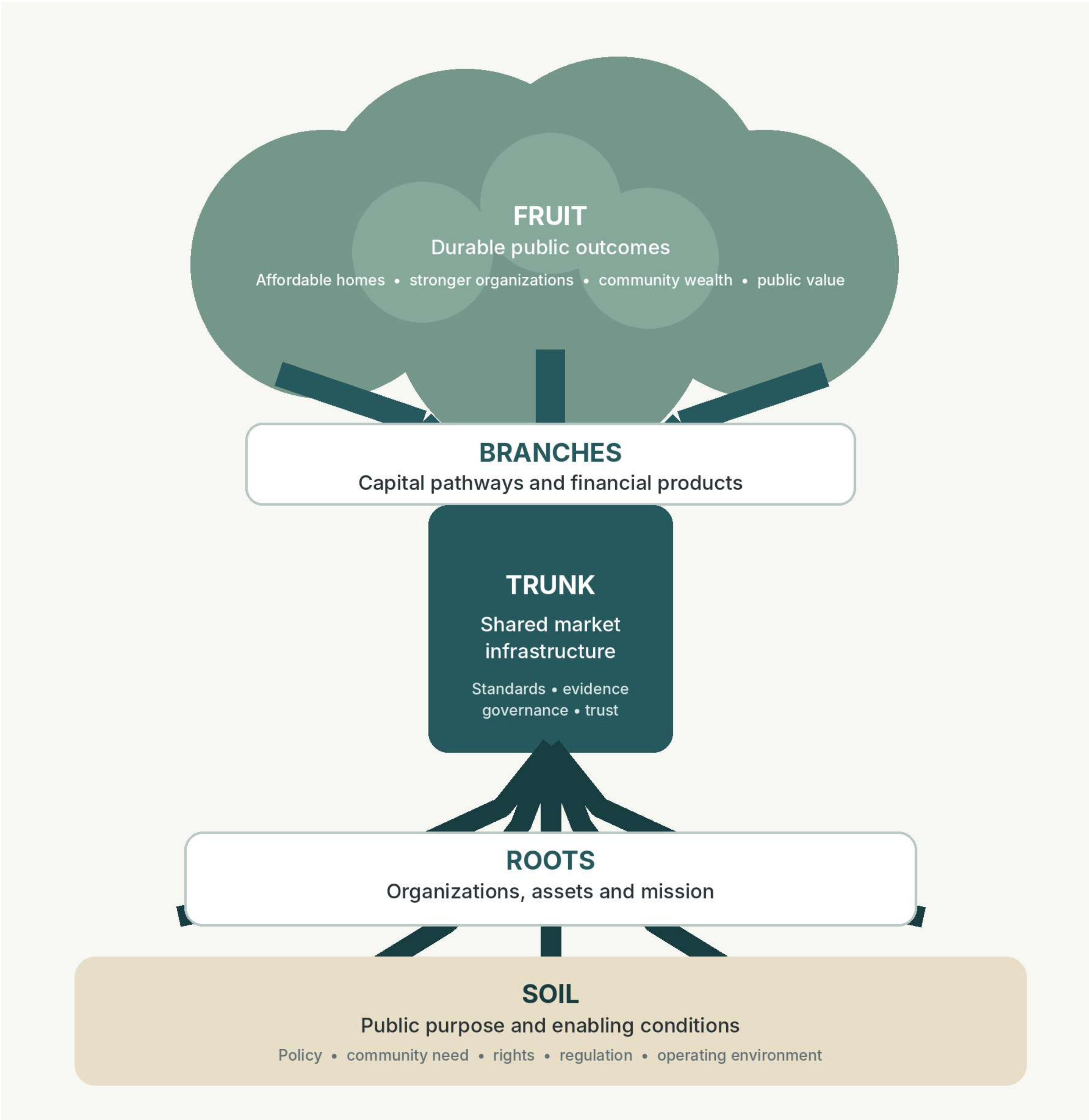
About Kelly P. Lin

Kelly P. Lin is the Founder and CEO of IREI Canada. She brings more than 20 years of experience spanning architecture, real estate development and finance, Indigenous and non-profit housing, public policy, and impact finance. She serves on the boards of Indigenous economic development and community housing organizations, as well as a real estate development industry association, and is an Industry Partner with the NYU SPS Schack REIT Center.

Status and scope

The IREI Tree Model is a working framework. IREI Canada is applying and testing it through the development of institutional-readiness, portfolio-assessment, governance, and reporting infrastructure for mission-locked real estate. This paper is not an investment offering and does not provide investment, legal, tax, or accounting advice.

The IREI Tree Model™ at a Glance



HOW TO READ THE MODEL

Begin below the surface. The soil defines purpose and operating conditions. The roots reveal organizational and asset reality. The trunk creates shared institutional language. Only then should the market design the branches of capital. The fruit is the durable public outcome.

Executive Summary

Impact investing has grown in visibility, ambition, and institutional interest. Governments, foundations, financial institutions, pension funds, community organizations, and private investors increasingly agree that capital should contribute to measurable social, environmental, and economic outcomes.

Yet the market continues to encounter the same constraints:

- too few investment-ready opportunities;
- inconsistent financial and impact information;
- limited organizational capacity;
- fragmented funding and financing programs;
- high transaction costs;
- difficulty comparing opportunities;
- concerns about governance, accountability, and mission protection; and
- a persistent gap between the capital seeking impact and the organizations delivering it.

These problems are often treated separately. One initiative focuses on investment products. Another develops an impact-measurement framework. Another provides technical assistance. Another offers a guarantee, grant, loan, or tax incentive.

Each intervention may be useful. But together they frequently remain fragmented because they address individual branches of the market without strengthening the system underneath them.

The IREI Tree Model offers a different way to understand this challenge.

A healthy impact-investment market resembles a tree. Its visible branches are the financial products and transactions: loans, bonds, guarantees, equity vehicles, blended-finance structures, and pooled funds. But those branches can only grow when they are supported by strong roots and a stable trunk.

The roots are the organizations, assets, governance systems, operating information, community relationships, and public-purpose commitments from which credible investment opportunities emerge.

The trunk is the shared institutional infrastructure that allows different participants to understand, assess, trust, and work with those opportunities. It includes standards, common data definitions, comparable financial evidence, governance requirements, certification, reporting, underwriting protocols, and trusted intermediaries.

The fruit is the public outcome: affordable homes, community infrastructure, stronger organizations, environmental resilience, local wealth creation, and durable social value.

CENTRAL ARGUMENT

Impact capital cannot scale responsibly by building more financial products alone. It requires institutional roots and shared market infrastructure strong enough to support them.

Impact Real Estate Infrastructure Canada Corporation, operating as IREI Canada™, is applying this framework to mission-locked real estate. Its initial work focuses on building the root-and-trunk infrastructure that can help non-profit, Indigenous, municipal, and other public-purpose real estate organizations understand their portfolios, demonstrate readiness, protect their missions, and access a wider range of appropriate capital over time.

1. The Problem Is Larger Than a Capital Gap

Discussions about impact investment often begin with the idea that worthwhile projects lack capital.

This is partly true. Many public-purpose organizations face serious financing constraints. They operate with limited equity, unstable funding, aging assets, restricted borrowing capacity, and insufficient resources for long-term planning.

But the challenge is not simply that capital is unavailable.

In many cases, capital exists but cannot move efficiently or responsibly toward the organizations and assets that need it. Investors may be interested in social or environmental outcomes but unable to assess opportunities consistently. Governments may be prepared to provide funding but lack a reliable portfolio-level view of organizational capacity and asset performance. Community organizations may control valuable assets but lack the standardized information, governance evidence, or internal capacity required by external capital providers.

The result is a structural mismatch.

Organizations are repeatedly asked to explain themselves through different applications, templates, models, and reporting systems. Investors and funders must assess opportunities using incomplete or inconsistent information. Governments fund individual projects without always understanding the broader financial condition of the organizations responsible for operating them. Intermediaries spend substantial time reconstructing data rather than solving the underlying problem.

This creates high transaction costs on all sides.

It also leads to an incomplete diagnosis. Organizations may be described as “not investment-ready” when the market has not established a clear or proportionate definition of readiness. Investors may be described as unwilling to accept risk when the evidence required to understand that risk has never been standardized. Governments may create additional programs when the sector lacks the infrastructure to coordinate and use existing programs effectively.

> **REFRAMING THE GAP**
>
> The recurring constraint is not only a shortage of capital. It is the absence of institutional infrastructure that allows public-purpose organizations, governments, and capital providers to understand the same opportunity from a common evidence base.

2. The IREI Tree Model

The IREI Tree Model is a diagnostic framework for understanding how a functional impact-investment ecosystem is built. It distinguishes between five connected layers: the soil, the roots, the trunk, the branches, and the fruit. Each layer performs a different function. Weakness in one layer affects the performance of the whole system.

The Soil: Public Purpose and Enabling Conditions

The soil represents the environment in which impact organizations and assets operate. It includes:

- community needs and public policy;
- legislation, regulation, and tax policy;
- affordability requirements and public funding systems;
- Indigenous rights, authority, and governance;
- land, environmental, demographic, and local economic conditions; and
- the mandates of public, community, and financial institutions.

Impact investment does not exist independently of these conditions. Financial structures must respond to the purpose of the asset, the people it serves, and the institutional environment surrounding it.

Poor soil cannot be corrected simply by introducing more capital. If policy is unstable, mandates are unclear, operating funding is inadequate, or community interests are excluded, even a technically successful transaction may fail to produce durable public value. The soil therefore establishes the purpose and boundaries of the system.

The Roots: Organizations, Assets, and Mission

The roots are the underlying organizations and assets from which impact opportunities emerge. They include:

- organizational purpose, mission, and community legitimacy;
- governance, decision-making, and financial controls;
- property, operating, debt, and capital-needs information;
- affordability commitments and legal agreements;
- management capacity and data quality; and
- long-term stewardship responsibilities.

These elements are often invisible to the broader market. They sit below the level of the individual financing transaction, but they determine whether that transaction is appropriate, sustainable, and aligned with the organization's purpose.

Strong roots do not mean that an organization must be financially perfect. Many impact organizations operate under structural constraints created by public policy, historic underinvestment, inadequate operating support, or the populations they serve.

Readiness should therefore not be confused with conventional commercial strength. A credible readiness framework must distinguish between:

- an organization that lacks basic information or governance capacity;
- an otherwise capable organization affected by a temporary operating issue;
- an asset with a structural financial deficit caused by its public mandate;
- an organization with a viable portfolio but one underperforming property; and
- an initiative that requires subsidy because the intended public outcome cannot be produced on commercial terms.

These conditions require different responses. Without root-level information, they are easily conflated.

The Trunk: Shared Market Infrastructure

The trunk connects the underlying organizations and assets to capital providers, governments, funders, and other institutions. This is the layer most frequently missing from emerging impact-investment markets.

Shared market infrastructure may include:

- standardized financial and operating definitions;
- common data structures and portfolio reporting;
- governance and mission-protection requirements;
- readiness and certification frameworks;
- transparent underwriting methodologies and risk classifications;
- capital-needs, impact, and affordability reporting;
- documentation, data-governance, and monitoring standards; and
- trusted intermediaries and clear accountability.

The purpose of this infrastructure is not to determine whether every investor, government, or organization should make the same decision. Its purpose is to create a common evidence base from which different institutions can apply their own mandates, policies, risk tolerances, and investment criteria.

This is how established capital markets function. Public equities rely on financial reporting, securities regulation, governance requirements, audits, and disclosure standards. Bond markets use standardized documentation, credit analysis, ratings, covenants, and reporting. Commercial real estate finance relies on accepted definitions of income, expenses, debt-service coverage, valuation, and borrower obligations.

These systems are not frictionless or perfectly fair. But they demonstrate an important principle: capital can move more consistently when participants share a basic financial and institutional language.

Impact investment requires comparable infrastructure, adapted to reflect public purpose, affordability, community governance, environmental objectives, and mission protection. It cannot rely solely on conventional financial standards because those standards do not fully capture the value, obligations, and constraints of public-purpose assets.

The Branches: Capital Pathways and Financial Products

The branches are the visible financial mechanisms through which capital reaches organizations and assets. They may include grants, repayable contributions, conventional mortgages, public loans, guarantees, first-loss capital, community bonds, patient debt, subordinated debt, revenue participation, preferred equity, institutional equity, pooled funds, trusts, and other blended-finance structures.

A healthy system requires multiple branches because different needs require different forms of capital.

An organization with a stable asset requiring refinancing does not need the same product as an organization acquiring land. A property with a short-term operating deficit does not require the same intervention as an asset with a permanent affordability gap. A new development does not carry the same risk as an established portfolio. A community organization seeking to retain control should not be forced into a capital structure that undermines its mission.

The objective is not to move every organization toward private or institutional investment. The objective is to identify the most appropriate capital pathway for each condition.

Some assets should remain grant-supported. Some require public guarantees. Some can support conventional debt. Some may be suitable for patient or institutional capital. Others should not take on additional financing at all.

REVERSE THE USUAL SEQUENCE

Without strong roots and shared infrastructure, the market tends to begin with a product and search for assets that fit it. The IREI Tree Model begins with the organization, the asset, the public purpose, and the underlying financial condition. The capital structure follows the need.

The Fruit: Durable Public Outcomes

The fruit represents the outcomes the system is intended to produce. These may include affordable and secure housing, community ownership, stronger Indigenous, non-profit, and public institutions, preservation of mission-critical assets, environmental performance, more effective use of public funding, reinvestment in local communities, resilience, and measurable long-term public value.

Financial activity is not itself the outcome. A larger impact-investment market is only valuable if it improves the ability of organizations and assets to fulfil their missions.

The IREI Tree Model therefore evaluates success not only by the amount of capital deployed, but also by whether the system protects affordability and mission, strengthens rather than extracts from organizations, supports community authority, directs subsidy transparently, and creates public value that endures beyond the investment period.

3. Why Impact Markets Struggle to Scale

Many impact-investment initiatives begin at the branch level. A fund is created. A bond is issued. A guarantee program is announced. An investment platform is launched. A new source of capital is introduced.

These interventions can produce successful transactions. But transaction-level success does not automatically create a functioning market. Without the roots and trunk, several recurring problems emerge.

The pipeline remains inconsistent

Capital providers may announce that funds are available but struggle to find opportunities meeting their requirements. Organizations may have genuine needs but lack the time, information, or technical support to translate those needs into an investable structure.

The result is often described as a pipeline problem. In practice, it is frequently an infrastructure problem. The sector has not established a consistent process for identifying, assessing, preparing, and supporting potential opportunities before they enter a financing process.

Each transaction begins again

Organizations repeatedly provide similar information in different formats to different funders, lenders, investors, consultants, and government agencies. This increases cost, consumes staff capacity, and reduces the ability of organizations to focus on operations and community outcomes. It also prevents the accumulation of comparable sector evidence.

Risk is difficult to distinguish

Without standardized information, fundamentally different risks may be grouped together. A temporary cash-flow issue may appear equivalent to a structurally insolvent asset. A strong organization with incomplete reporting may appear weaker than an organization with polished materials but poor underlying performance. A mission-driven asset requiring permanent subsidy may be treated as a failed commercial investment rather than a legitimate public-policy obligation.

Shared infrastructure allows risk to be identified more accurately and allocated more appropriately.

Impact remains disconnected from financial decisions

Impact measurement is often conducted after the financial structure has already been determined. This separates the social or environmental purpose from the underwriting process.

A more mature system would incorporate mission, affordability, stewardship, governance, and public outcomes into the initial assessment of the opportunity rather than treating them as a separate reporting exercise.

Scale increases the consequences of weak foundations

Small pilot transactions can often rely on exceptional individuals, bespoke negotiations, informal trust, and intensive technical assistance. These approaches become difficult to sustain as the market grows.

Scale requires systems that can operate consistently across organizations, regions, asset types, and capital providers without eliminating necessary local judgment. The larger the intended branch, the stronger the roots and trunk must be.

4. Standardization Is Not Uniformity

Standardization can create concern among community and mission-driven organizations. Organizations may reasonably fear that standardized frameworks will impose commercial assumptions on public-purpose work, overlook local circumstances, reduce complex missions to a single score, transfer authority to external institutions, or create another compliance burden without delivering meaningful value.

These risks are real. Poorly designed standardization can reinforce power imbalances and exclude organizations that lack the resources to satisfy institutional expectations.

A CRITICAL DISTINCTION

Uniformity requires organizations to look and operate the same. Standardization establishes a shared language for describing differences.

A credible framework should not require every organization to have the same financial profile, governance model, community mandate, or capital strategy. It should allow those differences to be understood clearly and assessed fairly.

Standards should help identify:

- what information is available and what is missing;
- what risks are present and which can be mitigated;
- what public obligations affect financial performance;
- what form of capital may be appropriate; and
- what support is required before capital is introduced.

Used properly, standardization can increase organizational agency. It gives organizations a clearer understanding of their own assets, obligations, strengths, and constraints. It can also reduce the need to continually translate their work into different institutional formats.

The purpose is not to make community organizations resemble conventional corporations. The purpose is to allow their financial realities and public value to be understood without erasing what makes them different.

5. Applying the IREI Tree Model to Mission-Locked Real Estate

Mission-locked real estate provides a practical application of the IREI Tree Model.

Non-profit, Indigenous, municipal, charitable, and other public-purpose organizations control or operate significant real estate assets. These assets support affordable housing, community services, cultural activity, health, education, economic development, and other public outcomes.

Yet many organizations lack a consistent portfolio-level view of property performance, operating trends, debt obligations, refinancing exposure, capital-repair requirements, affordability commitments, legal restrictions, organizational capacity, and the relationship between individual assets and the broader portfolio.

Funders and capital providers face the same information gap from the opposite direction. They may receive project-specific applications without sufficient visibility into the organization's overall position. This limits their ability to distinguish between an isolated project need and a portfolio-level issue.

IREI Canada's Stage 1 application

IREI Canada is developing a Stage 1 institutional-readiness framework to address this gap. The initial model is intended to help participating organizations:

- organize property, operating, financial, governance, and capital-needs information;
- assess assets consistently across a portfolio;
- identify stable, constrained, distressed, refinancing, and development conditions;
- distinguish operating problems from capital-structure problems;
- document affordability and mission protections;
- identify gaps requiring technical support; and
- create a clearer evidence base for discussions with governments, funders, lenders, and future capital partners.

This work occupies the roots and trunk of the IREI Tree Model. It does not begin by assuming that every organization should raise investment capital.

It begins by asking:

- What does the organization own or operate?
- What is the purpose of each asset?
- How is each asset performing?
- What obligations and restrictions apply?
- What capital needs are emerging?
- Which challenges can be addressed through operations?
- Which require subsidy, refinancing, restructuring, or new capital?
- What mission protections must remain in place?
- What evidence is required for different institutions to act with confidence?

Only after these conditions are understood should a capital pathway be considered.

6. Implications for Market Participants

For impact organizations

Readiness should be a process of increasing organizational knowledge and agency, not merely satisfying an investor checklist. Organizations should receive practical value from the information they provide, including stronger portfolio oversight, clearer capital planning, improved governance, and a better ability to negotiate with external institutions.

For governments

Public funding should be connected to a stronger understanding of organizational and portfolio conditions. This can help governments distinguish between capital needs, operating needs, policy-created deficits, temporary financial pressures, and structural affordability requirements. It can also support more predictable and transparent funding decisions.

For foundations and catalytic funders

Grants, guarantees, first-loss capital, and technical assistance can be directed toward clearly identified market gaps rather than applied broadly without sufficient evidence. Catalytic capital is most effective when it strengthens the roots or trunk and enables other appropriate forms of capital to participate.

For investors and financial institutions

Shared standards can reduce due-diligence costs and improve the consistency of available information. They can also help investors understand how public-purpose assets differ from conventional commercial real estate and which risks should be accepted, mitigated, priced, guaranteed, or supported through public funding.

For intermediaries

The role of the intermediary should extend beyond assembling individual transactions. Intermediaries can contribute to durable market infrastructure by supporting standardized evidence, organizational readiness, transparent risk classification, mission protection, and ongoing accountability.

7. Principles for Building Impact-Investment Infrastructure

Begin with purpose, not products

The capital structure should follow the public purpose, organizational condition, and asset need.

Build organizational value

Readiness and reporting systems should strengthen participating organizations rather than simply extract information from them.

Make subsidy visible

Where public outcomes require subsidy, that requirement should be identified transparently rather than concealed through unrealistic financial assumptions.

Distinguish different forms of risk

Operating, governance, development, market, policy, capital, and mission risks should not be treated as interchangeable.

Protect mission before introducing scale

Growth in capital deployment should not come at the expense of affordability, community control, Indigenous rights, or long-term public purpose.

Standardize evidence, not organizations

Common definitions and reporting can support comparison while preserving diverse mandates, governance structures, and community contexts.

Use technology to support judgment

Digital systems and artificial intelligence may assist with data organization, validation, scenario testing, and reporting. They should not replace human accountability, contextual knowledge, or community decision-making.

Treat infrastructure as a long-term public asset

Standards, data systems, governance frameworks, and trusted intermediaries create value beyond any single transaction. They should be developed and governed as enduring market infrastructure.

Conclusion

Impact investing does not lack ambition. It has attracted governments, foundations, financial institutions, community organizations, researchers, intermediaries, and investors seeking to align capital with public purpose.

But ambition alone does not create a market.

A durable market requires more than capital providers and investment products. It requires organizations capable of understanding and managing their assets. It requires reliable and proportionate evidence. It requires common language, trusted standards, governance protections, appropriate risk allocation, and clear accountability.

In the IREI Tree Model, these are the roots and trunk. The loans, bonds, guarantees, funds, and investment vehicles are the branches. They are important, but they are not the starting point. The public outcomes are the fruit.

Canada has an opportunity to build impact-investment infrastructure that is not simply a smaller version of conventional capital markets. It can create a system designed around public purpose, community authority, long-term stewardship, and transparent financial evidence.

THE WORK BEGINS BELOW THE SURFACE

Before attempting to scale the branches, the market must strengthen the roots.

Open Use and Attribution

References

The IREI Tree Model draws on established work concerning institutions, governance, negotiation, and impact-investment market development. Selected foundations include:

- **Fisher, Roger, William Ury, and Bruce Patton.** *Getting to Yes: Negotiating Agreement Without Giving In.* The distinction between stated positions and underlying interests.
- **North, Douglass C.** *Institutions, Institutional Change and Economic Performance.* The role of institutions in reducing uncertainty and enabling exchange.
- **Ostrom, Elinor.** *Governing the Commons: The Evolution of Institutions for Collective Action.* Governance, collective action, and the stewardship of shared resources.
- **Organisation for Economic Co-operation and Development.** *Social Impact Investment 2019: The Impact Imperative for Sustainable Development.* Enabling environments and effective impact-investment markets.
- **Global Impact Investing Network.** *Core Characteristics of Impact Investing.* Intentionality, evidence, impact management, and accountability.
- **Association of Neighbourhood Houses of BC. Strategic Transformation Framework (2024).** *Lessons from Kelly P. Lin's volunteer work with ANHBC informed the IREI Tree Model™ in part; the two frameworks are distinct and serve different purposes.*

These sources inform the framework; the IREI Tree Model remains a working synthesis developed through applied experience in housing, governance, public policy, and impact finance.

About IREI Canada

IREI Canada is building shared financial, data, and governance infrastructure for mission-locked real estate. Its work is designed to help non-profit, Indigenous, municipal, and other public-purpose organizations understand their assets, strengthen institutional readiness, protect mission, and build credible pathways to appropriate long-term capital.

IREI Canada's initial work focuses on portfolio assessment, standardized financial evidence, governance and mission protection, organizational readiness, reporting, and the infrastructure required for future capital pathways.

About the Author

Kelly P. Lin is the Founder and CEO of IREI Canada. She brings more than 20 years of experience spanning architecture, real estate development and finance, Indigenous and non-profit housing, public policy, and impact finance. She serves on the boards of Indigenous economic development and community housing organizations, as well as a real estate development industry association, and is an Industry Partner with the NYU SPS Schack REIT Center.

KELLY P. LIN

Founder & CEO, IREI Canada

kelly@ireic.ca | ireic.ca