



In partnership with

The John D. and Catherine T. MacArthur Foundation
The Kresge Foundation

For Immediate Release

**\$8.25 MILLION IN 2013 NEXT AWARDS TO THREE COMMUNITY LENDERS
TO SUPPORT GROUNDBREAKING INITIATIVES IN UNDERSERVED COMMUNITIES**

*Funding for Innovative Small Business Loan Product in California, Neighborhood Revitalization in Detroit,
First REIT for Nonprofits Preserving Affordable Housing Nationwide*

(PHILADELPHIA, September 18, 2013)—Three community lenders will share \$8.25 million from the **Wells Fargo NEXT Awards for Opportunity Finance** to expand pioneering strategies for financial products and services in low-income communities.

The Awardees—Opportunity Fund, NCB Capital Impact, and Housing Partnership Network—will use the awards to implement new solutions for small business financing, community development, and affordable housing, respectively, in some of the most underserved communities in the U.S. Through their innovative strategies, this year’s winners will expand their geographic presence and product offerings, and the NEXT Awards will accelerate their success.

The [NEXT Opportunity Awards](#) are presented by Opportunity Finance Network through the Wells Fargo NEXT Awards for Opportunity Finance, the largest U.S. awards program for responsible finance. The NEXT Awards honor innovative community development financial institutions (CDFIs)—community lenders that invest in opportunities that benefit low-income, low-wealth, and other disadvantaged communities.

Opportunity Fund, the largest nonprofit CDFI microlender in California, is the winner of a \$3 million NEXT Opportunity Award to expand its innovative [EasyPay](#) loan product. EasyPay is an affordable and responsible financing solution that allows small business owners who do not qualify for traditional financing to access capital and repay their loans automatically through daily credit and debit card sales, rather than as a lump-sum term payment each month. Opportunity Fund will use the NEXT award to expand the program in the Bay Area, Los Angeles, and throughout California—financing 250 entrepreneurs in 2014 and 750 more over the next two years, creating and sustaining 2,900 jobs. Longer term, it seeks to offer a “white label” version of EasyPay to other CDFIs, making the program replicable on a national scale. Opportunity Fund was the 2012 NEXT Seed Capital Awardee, using the \$100,000 grant to successfully pilot EasyPay to 86 borrowers in the Bay Area.

NCB Capital Impact (Capital Impact)—Capital Impact has deployed nearly \$70 million in financing in Detroit, and almost \$2 billion nationwide. This \$2.75 million NEXT Opportunity Award, presented to Capital Impact for its strategy to develop Detroit’s Woodward Corridor, will allow Capital Impact to substantially expand its presence and product offerings to meet growing demand for housing units, charter schools, and other critical services. Capital Impact’s effort will support the reclamation of abandoned properties and enable the development of 300-400 units of new affordable housing; create more than 500 construction and permanent jobs; create or expand more than 20 small businesses; and deploy \$40 million of loan financing and \$2 million of



predevelopment financing over the next two to three years, helping restore economic stability in a city that desperately needs it.

Housing Partnership Network (HPN)—Boston-based HPN has won a \$2.5 million NEXT Opportunity Award for its expansion of the first real estate investment trust (REIT) launched by nonprofits to acquire and preserve affordable housing. The REIT, known as the Housing Partnership Equity Trust (Equity Trust), is a collaboration of HPN, 12 of its members, major foundations, and financial institutions. It offers an innovative platform to raise capital to preserve and improve affordable multifamily rental properties for low-income families and communities. Participation in the REIT enables members to compete in a fast moving marketplace with for-profit developers by providing timely access to financing for affordable housing communities across the U.S. The NEXT Award will allow for the fivefold expansion of the \$100 million REIT over the next two years to fund the preservation and rehabilitation of more than 7,000 units of affordable housing. Launched in December 2012, the Equity Trust has already purchased properties in Illinois, California, and Virginia and has a strong pipeline of future acquisitions.

“This year’s NEXT Awardees are finding solutions for communities that lack access to traditional financial products and services,” said Mark Pinsky, president and CEO of Opportunity Finance Network. “By expanding their affordable and responsible financial products, CDFIs such as these are creating opportunities where there are none today.”

[Opportunity Finance Network](#) (OFN), the national network of CDFIs, presents the NEXT Awards with generous support from [Wells Fargo](#), [The Kresge Foundation](#), and [the MacArthur Foundation](#).

“Wells Fargo is proud to support the NEXT Awards and to see these community lenders providing real change for many of America’s communities by putting their award capital to use,” said Lesley Eckstein, executive vice president and head of Community Lending and Investment at Wells Fargo.

Rip Rapson, president of The Kresge Foundation, added, “These lenders have developed replicable strategies to expand their products and/or geographic coverage in low-income communities throughout the U.S. Access to capital is critical to expanding opportunity, strengthening neighborhoods, and improving quality of life in our cities. These organizations are hugely important in filling that need.”

“We are thrilled to continue to support dynamic, performance-oriented CDFIs as they foster innovation in products and services that expand their impact in underserved communities,” said Debra Schwartz, Director of Program-Related Investments at the MacArthur Foundation. “This year’s winners exemplify the creativity and entrepreneurial spirit of the CDFI field. Their innovations and tireless efforts squarely address many of today’s most critical financing challenges for low-wealth markets across the country.”

The CDFI industry will celebrate these Awardees [at OFN’s Annual Conference](#) in Philadelphia, Pennsylvania on October 16.

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ABOUT THE AWARDS

The **Wells Fargo NEXT Awards for Opportunity Finance** celebrate the CDFI industry—its creativity, accomplishments, and enduring importance.

Launched in 2007, the NEXT Awards have celebrated the innovation of the nation’s most promising CDFIs by awarding more than \$58 million over seven years.



It is the nation's largest awards program for CDFIs and will award \$8.35 million dollars through two award pools—The NEXT Opportunity Award and the NEXT Seed Capital Award—annually from 2012-2016 to high-performing CDFIs to expand their coverage strategies. Each year the NEXT Awards culminates in a ceremony at OFN's Annual Conference to spotlight Awardees and the entire CDFI industry.

ABOUT THE GROUPS BEHIND THE AWARDS

Wells Fargo & Company (NYSE: WFC) is a nationwide, diversified, community-based financial services company with \$1.4 trillion in assets. Founded in 1852 and headquartered in San Francisco, Wells Fargo provides banking, insurance, investments, mortgage, and consumer and commercial finance through more than 9,000 stores, 12,000 ATMs, and the Internet (wellsfargo.com), and has offices in more than 35 countries to support the bank's customers who conduct business in the global economy. With more than 270,000 team members, Wells Fargo serves one in three households in the United States. Wells Fargo's Community Lending and Investment division provides debt and equity capital for economic development, job creation and affordable housing in areas of need nationwide. For more about Wells Fargo Community Lending and Investment, visit <https://www.wellsfargo.com/com/financing/real-estate/community-lending-investment>

The Kresge Foundation is a \$3 billion private, national foundation that works to expand opportunities in America's cities through grantmaking and investing in arts and culture, education, the environment, health, human services and community development efforts in Detroit. In 2012, the Board of Trustees approved 410 awards totaling \$130.5 million; \$150.3 million was paid out to grantees over the course of the year. For more information, visit kresge.org.

The John D. and Catherine T. MacArthur Foundation supports creative people and effective institutions committed to building a more just, verdant, and peaceful world. In addition to selecting the MacArthur Fellows, the Foundation works to defend human rights, advance global conservation and security, make cities better places, and understand how technology is affecting children and society. MacArthur has been a leading supporter of the Opportunity Finance field since the early 1980s, investing nearly \$250 million in approximately 100 groups nationwide. More information is available at: www.macfound.org.

Opportunity Finance Network, the leading network of private financial institutions, creates growth that is good for communities, investors, individuals, and the economy. Members of OFN are community development financial institutions (CDFIs) that deliver responsible lending to help low-wealth and low-income communities join the economic mainstream. Through 2011, OFN's network originated more than \$30 billion in financing in urban, rural, and Native communities, and financed 940,000 housing units, 83,000 business and microenterprises, and 9,000 community facilities. More information is available at: www.opportunityfinance.net.