



Wells Fargo NEXT Awards for Opportunity Finance

It's a new year, so embark upon new opportunities—applications for the 2013 NEXT Awards open on February 1! If you're pursuing a geographic or product expansion strategy, consider applying for the NEXT Seed Capital Award—a grant of \$100,000—or a multi-million dollar NEXT Opportunity Award. Think your CDFI may be NEXT? Read excerpts from a Q & A with 2012 Opportunity Awardee, Doug Bystry of Clearinghouse CDFI, in which he provides insights on the application process and discusses benefits and tips for potential applicants.

OFN: *Why did Clearinghouse CDFI apply to the NEXT Awards?*

Bystry: As a CDFI embarking upon expansion into Nevada, we thought the theme of geographic and product expansion was well-aligned with our goals and objectives. This was actually our second time applying to the NEXT Awards. We originally applied the first year of the program (2007) and even though we didn't win, it was a great experience, from which we learned a ton—we got experience in presenting, and gained familiarity with the application process, which was really helpful when we re-applied in 2012.

OFN: *How did you find the application process in terms of level of difficulty?*

Bystry: The application process wasn't too difficult. The application itself isn't long, especially if you're CARS™-rated. And it was straight-forward... primarily talking about your vision, expansion strategy, and readiness to expand—and that's easy for me because I've been doing it since the inception of Clearinghouse CDFI. The most challenging part is presenting to the NEXT Selection Committee because once you present, you're close to winning an award, which is exciting and nerve-wracking.

OFN: *Was it worth it?*

Bystry: Absolutely. We will benefit from the additional resources especially as we continue to grow and need capital. Winning this award has been something we'll be able to reap the benefits of not just one time but ongoing, both financially and from a reputational standpoint. We have a robust marketing program and we promoted our finalist and Awardee status on our social networks. We have received great feedback on that from board members, investors, and colleagues in and outside the industry. We also benefited from networking and the support we received from colleagues. The award allowed us to secure some great press. In our media market it's hard to get articles in print or get the attention of press because there's so much competing news. The award allowed us to get that exposure, including in large papers, like the LA Times. The NEXT Awardee video is an especially nice showcase piece for any CDFI that wins the award. We usually pull our own video together for our annual shareholder meeting. But this year, instead of creating a video from scratch, we're going to edit the NEXT Award footage and add a bit more to make it a complete video marketing tool.



Doug Bystry, Clearinghouse CDFI
President & CEO, accepting his
2012 NEXT Opportunity Award.

OFN: What are you going to do/what have you done with the funding?

Bystry: One of the things we're going to do is conduct much more active outreach in our expansion area (NV). As a result of the NEXT Award, we're able to do some direct marketing and attend more state-wide conferences/training sessions to get our message out in areas of the state that would be hard—if not impossible to reach—without the funds from the NEXT Award. The NEXT Award will allow us to connect with Nevadans and spread the message of what we can offer them in a clear and concise manner.

We've closed about three loans since we received the award. We've also given a number of grants, some of them smaller and some quite significant. The NEXT Award has added to our ability to provide debt and grants to worthwhile projects in that state.

OFN: What type of impact do you project the financing will make in Nevada?

Bystry: We'll have more debt capital available to lend in Nevada—the award will increase lending volume in that state. Because of the increased marketing outreach efforts, networking, and additional activities, we'll be able to make a difference in Nevada we couldn't make without winning this award, both in terms of the scope of program delivery as well as the depth of our financial capacity.

OFN: Do you have any tips and tricks or advice for would-be applicants?

Bystry: It's important for people who have applied before and been unsuccessful not to write it off. Don't give up! Tell your story.

You don't need to write volumes and volumes, just tell your story in a clear and concise manner. Hopefully the committee will like it and you'll get funding.

OFN: Anything else you'd like to add?

Bystry: I want to say how appreciative we are to all involved. Clearinghouse CDFI thanks OFN and the NEXT Selection Committee and partners, and especially Wells Fargo—it's fantastic they've agreed to continue the award program and keep great tradition of the NEXT Award alive. It's great for our industry.

Based in California and expanding into Nevada, Clearinghouse CDFI finances affordable housing, nonprofit organizations, and community development projects. Clearinghouse CDFI received the NEXT Opportunity Award for its expansion into Nevada, a state that faces severe credit constraints and suffers from one of the highest unemployment rates, and single-family foreclosure rates in the U.S. Learn more about Clearinghouse CDFI. For more information visit their website at www.clearinghousecdfi.com.

Applications are open from February 1–March 18.

Learn more about the NEXT Seed Capital Award or the NEXT Opportunity Award.

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