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\$5MM Awarded to Five CDFIs for Innovative Strategies to Drive Transformational Change

From Pay-for-Success to solar energy financing, the NEXT Fund for Innovation awards new ways to improve outcomes in underserved communities across the U.S.

Philadelphia, PA, February 13, 2018—Opportunity Finance Network (OFN) today announced five recipients of the NEXT Fund for Innovation (NEXT Fund), a pilot program that builds on ten years of innovation and impact driven by the Wells Fargo NEXT Awards (NEXT Awards) for Opportunity Finance. Developed with support from Wells Fargo and Prudential Financial, the program funds business models, products, platforms, or processes holding the ability to drive transformational change and scale in the community development financial institution (CDFI) industry. The NEXT Fund provides a new source of patient, flexible capital for community development financial institution innovation.

“Over the course of ten years the NEXT Awards propelled CDFIs ready for scale to achieve their vision. With the NEXT Fund we recognize and reward emerging CDFI business models, platforms, or processes with great potential—bringing flexible capital, including equity and subordinated debt, into play at a critical stage. As a result of the NEXT Fund CDFIs can achieve the 10x influence that is needed to truly drive transformational change,” said Beth Lipson, OFN Treasurer and Executive Vice President, Strategic Initiatives.

“We’re proud to continue our work with OFN to help CDFIs continue to innovate in the communities they serve,” said Megan Teare, Senior Vice President and manager of CDFI investing at Wells Fargo. “These five awardees have the potential to employ creative, high-impact strategies that can drive change.”

The five CDFIs who are set to receive awards are:

- **Building Hope, Washington, DC:** Awarded \$1,000,000 to expand its charter school real estate development practice into new markets such as Texas and Tennessee, complementing its growing charter school lending
- **CEI, Brunswick, ME:** Awarded \$1,500,000 for a newly formed solar energy financing subsidiary, which will focus on providing long-term debt and equity capital to mid-sized commercial solar power projects.



- **Metropolitan Economic Development Association (MEDA), Minneapolis, MN:** Awarded \$1,000,000 to provide a new, patient equity-like capital product to support early-stage minority-owned business in Minneapolis that have potential for high growth.
- **ROC USA, Concord, NH:** Awarded \$1,000,000 to continue its transformational work converting manufacturing housing community from investor-ownership to resident—ownership by supporting a new product in the manufactured housing space to address park-owned home and park-financed home portfolios.
- **Reinvestment Fund, Philadelphia, PA:** Awarded \$500,000 to invest in a newly-formed subsidiary that invests in pay-for-success transactions that support the scaling of promising policy innovations. The new PFS Fund will target investments in housing, education, social services, and health care throughout the U.S.

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About OFN

Opportunity Finance Network (OFN), the national network of community development financial institutions (CDFIs), strives to ensure low-income and other under-resourced communities have access to affordable, responsible financial products and services. Members of OFN are CDFIs that deliver responsible lending to help low-income communities join the economic mainstream. Through 2016, OFN's network originated \$54 billion in financing in rural, urban, and Native communities. This financing has helped to create or maintain more than 1,202,000 jobs, start or expand more than 256,000 businesses and microenterprises, and support the development or rehabilitation of nearly 2 million housing units and more than 10,000 community facility projects. For more information, visit www.ofn.org.

About Wells Fargo

Wells Fargo & Company (NYSE: WFC) is a diversified, community-based financial services company with \$1.9 trillion in assets. Wells Fargo's vision is to satisfy our customers' financial needs and help them succeed financially. The Chronicle of Philanthropy ranked Wells Fargo No. 3 on its most recent list of the top corporate cash philanthropists. In 2016, Wells Fargo donated \$281.3 million to 14,900 nonprofits and Wells Fargo team members volunteered 1.73 million hours with 50,000 nonprofits. Wells Fargo's corporate social responsibility efforts are focused on three priorities: economic empowerment in underserved communities, environmental sustainability, and advancing diversity and social inclusion. News, insights and perspectives from Wells Fargo are also available at [Wells Fargo Stories](#).