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## Mission Driven Finance

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## Community Finance Fellowship

*To build an inclusive economy we must change the face of finance*



### Overview

Communities need good businesses, and good businesses need access to affordable capital. But our financial systems, structures, and policies have intentionally and unintentionally restricted access to capital and opportunity – fostered by a lack of diversity and flexibility, limiting authentic connection with community.

The **Community Finance Fellowship** will expand our existing solution to accelerate both sides of the equation: simultaneously developing leadership in and deploying capital to those overlooked and under-resourced neighborhoods traditionally left out of financial systems.

A collaboration of two leading companies in the impact space, the Community Finance Fellowship is a powerful multi-pronged approach to building an inclusive economy:

- **Build a diverse talent pipeline for the finance sector through real-world experience**
- **Increase investment in communities historically lacking access to sources of capital and wealth-building**
- **Establish a community-informed model that can be replicated and scaled**

## Goals

The lack of diversity in finance perpetuates unequal access to capital and opportunity. A recent [Impact Alpha](#) article noted:

*To build a new financial system that integrates impact into all decision-making, our investment teams must reflect the great diversity of perspectives and experiences in our society. Making impact investments requires the consideration of the multitude of positive and negative effects that an investment can have on a variety of stakeholders; building teams that reflect a breadth of backgrounds, ideas, and experiences will certainly result in stronger deals. Until we address these imbalances, we only heighten the risk of restricting the values and worldviews of impact investors and, ultimately, sacrificing impact.*

Our Community Finance Fellowship is a three-year, pilot-to-scale-up model that provides a powerful case to the field for how to invest more inclusively, intentionally, and with multiple bottom lines. Each year will include a cohort of at least five fellows who will receive training, support, and capital to find and make high quality deals in underinvested communities, while also providing valuable feedback to improve the investment and fellowship models. The bottom line outcomes of this program include:



**Build a diverse talent pipeline for the finance sector.** The selected Fellows will reflect the diversity of local historically neglected communities lacking access to affordable commercial capital. As full-time employees of Mission Driven Finance (a livable wage with full benefits), Fellows will receive training, coaching, and hands-on experience to develop their capacity to source, analyze, and report on impact investment opportunities. Each Fellow will leave the year-long engagement with a stronger resume and the confidence to secure a finance sector job with a focus on building communities.

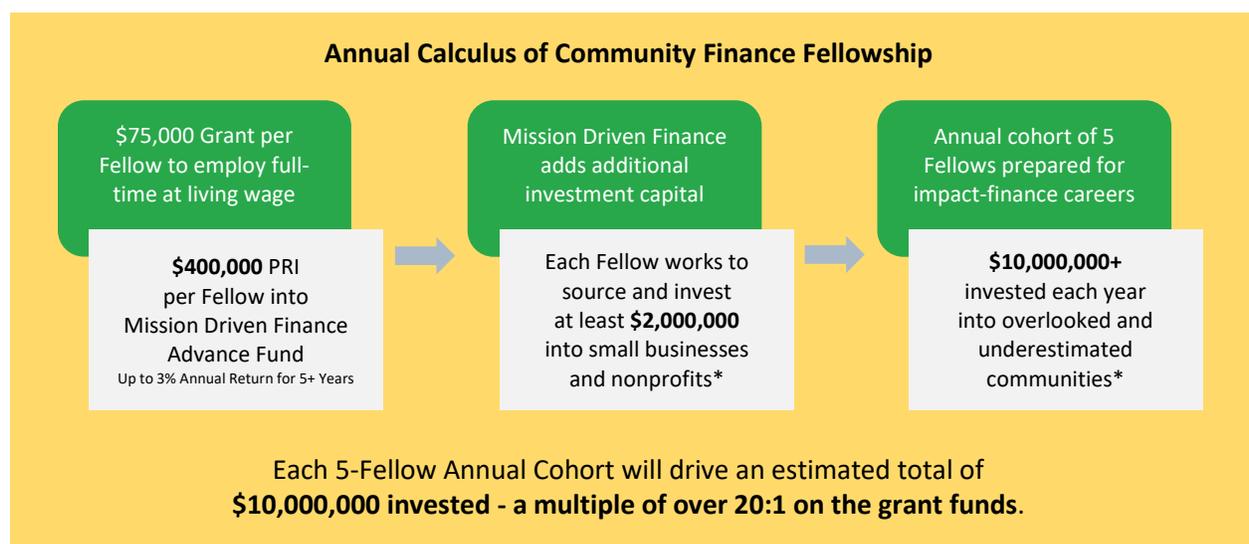


**Increase deal flow in communities historically lacking access to the financial system.** Each Fellow's lived experiences and networks will be an invaluable way to link Mission Driven Finance's private and charitable investors to projects and businesses that traditionally don't receive investment - but absolutely should. The Program Related Investments (PRIs) that accompany each Fellow will be leveraged by Mission Driven Finance up to an estimated \$2,000,000 per Fellow to be invested into businesses, nonprofits, and projects in each Fellow's targeted community in a culturally-responsive manner.



**Establish a model that can be shared and scaled across the field.** The investing field needs models of both how to diversify the talent pipeline and how to invest in overlooked communities. Through a three-year project commitment, Mission Driven Finance and its research and learning partner, Harder+Company Community Research, will beta test the model with the first cohort in Year 1, refine and enhance in Year 2, and then reach stability and replicability in Year 3. This process will create a robust fellowship program that can be sustained beyond this three-year pilot, changing the zeitgeist of impact investment through field building publications and presentations.

## Community Finance Fellowship Components



\* Average estimated targets across the entire cohort on an annual basis. There is no guarantee of achieving these goals per Fellow or as a whole. All investments are expected to be made through the Advance pool in MDF Fund I, LP.

## Partners



**Mission Driven Finance** is an impact investment firm dedicated to building a financial system that ensures good businesses can access sufficient affordable capital. Built from the ground up with a single purpose—to make it easy to invest in your community—all our funds and structured products are designed to close financial gaps that close opportunity gaps. We work with local and national investors to help them create the impact they want, and work with small businesses and communities to help them get the capital they need.

Mission Driven Finance was launched in 2016 in San Diego, CA and is a Certified B Corporation. Mission Driven Finance, LLC, is the General Partner of MDF Fund I, LP, a California Finance Lender and evergreen private debt fund. Mission Driven Finance will identify and employ the Fellows; train them on the tools of impact investing and inclusive finance; support their community outreach; and provide regular feedback, coaching, and support. Learn more at [www.missiondrivefinance.com](http://www.missiondrivefinance.com).



**Harder+Company Community Research** works with public- and social-sector organizations across the United States to learn about their impact and sharpen their strategies to advance social change. Since 1986, our data-driven, culturally-responsive approach has helped hundreds of organizations contribute to positive social impact for vulnerable communities.

The Harder+Company team will provide Fellows with high quality, targeted capacity building and coaching as they develop their impact investing acumen; facilitate a community of practice between fellows to nurture learning; and document and tell the story of the new inclusive economy model for field building. Learn more at [www.hardenco.com](http://www.hardenco.com).

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