



CONTACT:

Lori Warren

Director, Marketing & Communications

[lwarren@redf.org](mailto:lwarren@redf.org)

(415) 510-6038

FOR IMMEDIATE RELEASE

## **REDF Impact Investing Fund Deploys nearly \$5 Million in 5 Years, including \$1.65 Million in Capital to Employment Social Enterprises in 2022**

*Six diverse borrowers focused on providing jobs and support for people facing barriers to work receive flexible capital, technical assistance, and access to networks*

SAN FRANCISCO (January 17, 2023) – REDF Impact Investing Fund (RIIF) has reached a significant milestone—since its founding in 2017, RIIF has deployed nearly \$5 million in capital paired with technical assistance and access to support networks to over 20 employment social enterprises that provide paid, transitional or permanent jobs and services to people striving to overcome barriers to work. In 2022 alone, RIIF closed four new loans and increased or provided renewals for two existing loans, totaling \$1.65M. These six employment social enterprises, located around the country, represent a wide range of industries, including construction and building trades, food preparation, staffing, and healthcare.

RIIF was created to support the growth and sustainability of employment social enterprises as they continue to create a valuable workforce training and talent pipeline for high-demand businesses. In 2022, RIIF was certified as a [Community Development Financial Institution](#) (CDFI), an indicator that RIIF lending meets the rigor required by the U.S. Treasury, and is expanding opportunity in low-income communities by providing high-impact capital backed by strong operations and processes.

RIIF works throughout the underwriting process to build borrower creditworthiness and reduce bias in underwriting to provide credit to enterprises led by people of color and those who share the lived experience of the people they employ. 50% of the loans in RIIF’s portfolio were made to enterprises led by leaders of color, and 50% were made to enterprises run by leaders with lived experience. These relationships help inform how RIIF can adapt underwriting and risk management to expand access to credit for entrepreneurs that have historically been excluded from capital access.

As a result of these efforts, RIIF was recognized as an emerging impact asset manager by [Impact Assets](#) and [Integrated Capital Investing](#) for efforts to reduce bias in underwriting

“This has been a strong year for RIIF – we have laid the groundwork for further scaling our operations and lending volume, and we have continued to originate our core loan products to high-impact social enterprises via our equity-centered approach,” explained Emilie Linick, Director of Impact Lending. “We have steadily built momentum over the last year, and are poised for growth in 2023, with a lot of exciting businesses in our pipeline.”

From a term loan to [CRCD Enterprises](#) to hire essential staff and compete for larger construction contracts that require significant upfront expenses, to a bridge loan to [Farming Hope](#) to purchase kitchen equipment, and a line of credit to [Rebuilding Exchange](#) to lease a new building and hire more program participants, RIIF is providing vital capital for employment social enterprises to grow and thrive.

“Having a line of credit from RIIF provided critical financial sustainability as we navigated our first-ever government grants, built a new workforce training program, and more than doubled the number of people we served this year,” said Aina Gutierrez, Executive Director, Rebuilding Exchange. “We are grateful for REDF's vision for an inclusive economy, their holistic suite of programs (we think we've done all of them!), and nationwide community to support groups like us to grow and thrive.”

RIIF raised more than \$3M in impact-focused investments in 2022, including from the Conrad N. Hilton Foundation and JFF Labs, and expects to reach \$10M in capital raised from committed, visionary funders by 2023.

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## **ABOUT REDF IMPACT INVESTING FUND**

REDF Impact Investing Fund (RIIF) is a Community Development Financial Institution (CDFI) that provides loan capital and technical assistance to nonprofit and for-profit employment social enterprises. RIIF supports borrowers to improve their financial sustainability and strengthen their businesses so they can employ and empower more individuals striving to chart a new course in life.

## **ABOUT REDF**

REDF invests in employment social enterprises (ESEs) — businesses that provide jobs, training, and support to people breaking through barriers to employment. REDF partners with these businesses and the entrepreneurs who lead them — providing capital, capacity, and community — to amplify their transformative impact. Since 1997, REDF has invested over 250 ESEs in 33 states and DC. Collectively these partnerships have helped 86,000 people enter the workforce and generate more than \$1.6 billion in revenue that is reinvested in employee success—creating a ripple effect that strengthens families and communities and helps build an economy that works. For everyone.

For more information, visit [www.redf.org](http://www.redf.org).