

# Open for Business Fund: Economic Impact at a Glance



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When the COVID-19 pandemic hit, millions of restaurants, hair salons, childcare centers and other places that make a community feel like home immediately struggled. Nonprofits told us their top need was flexible capital so they could easily pivot to meet the specific needs of their community, allowing them to scale access to grant capital, no or low-cost loans, new no-collateral loan products, more technical expertise and in-language coaching for entrepreneurs. From these conversations, Wells Fargo's Open for Business Fund was created.

Now, four years later, the Open for Business Fund has delivered roughly \$420 million in grants to over 200 Community Development Financial Institutions and nonprofits serving small business owners. The data below is a summary of how the funding from the first two phases of the Open for Business Fund—focused on capital and

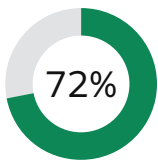
expertise—benefited grantees, small business owners and communities. The final phase of the program, which is enabling small business owners to build generational wealth through asset ownership like property or equipment, is still underway.

Beyond the data, a few interesting findings: nonprofits were able to leverage their initial grant on their balance sheets to do even more good in the community; investing in low-to-moderate income small business owners enabled them to survive and contribute to job creation; entrepreneurs relied on personalized coaching to address their business challenges; and the broader small business ecosystem was strengthened as results continue to compound year over year and pandemic-created programs, such as technology upgrades, remain active.

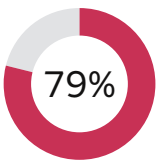
**Jobs Preserved/Created:  
More than 461,000**



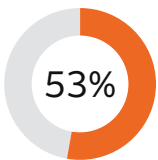
**Businesses Served:  
More than 336,000**



Percentage of Low-to-moderate income-owned



Percentage of Diverse-owned



Percentage of Women-owned

Organizations in phase one and phase two leveraged their Open for Business Fund grant from Wells Fargo



More than **\$2.1 billion**  
(more than 7:1 leverage of Wells Fargo's investment)



More than **\$1.4 billion**

Total \$ of loans, grants, modifications grantees provided to small businesses



More than **1.1 million hours**

Hours of technical assistance

**53%**

Percent of grantee technical assistance provided one-on-one

“Funding from Wells Fargo was transformational for both MoFi and the businesses we helped. MoFi used the funding to offer Thrive Loans, low-interest loans that required little or no collateral to businesses. These accessible loan funds provided needed working capital for businesses, enhanced the economic vibrancy of communities, and kept people in their jobs.”

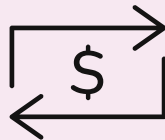
– Montana Community Development Corporation | CDFI Awardee (MT)

**Open for Business Fund grants were flexible and allowed organizations to be responsive to serving their small business community in three key ways.**



**Increased internal capacity:**

- Hiring employees in order to serve more businesses or expand services provided
- Acquiring technology to streamline, customize and decrease the cost of their lending



**Supported new or expanded capital offerings and helped manage risk:**

- Capital for lending, finance deferrals, loan modifications, credit enhancements
- Funding for loan loss reserves and/or to de-risk new product offerings
- Ability to provide affordable capital with interest rates of 3% or less



**Expanded technical assistance:**

- Offered in-language personalized coaching
- Disseminated culturally relevant programming to expand the reach of services
- Increased technology offerings providing high-quality remote and digital support



**Top 5 industries supported:**

- Full-Service Restaurants
- Beauty Salons
- Limited-Service Restaurants
- Mobile Food Services
- Child Care Services



**Top 5 states where Open for Business funds were deployed:**

- California
- Pennsylvania
- Minnesota
- New York
- Illinois

“The Wells Fargo funding has enabled CU to provide loans to small business owners in counties with persistent poverty which are often rural in TX, OK, AR, LA, MS, TN and AL. Not only were significant funds provided for lending, but risk adjusted credit enhancements allowed CU to take more risk in approving loans to borrowers who have had difficulty with the small business financial success in the past, especially during the pandemic.”

– Communities Unlimited (CU) | CDFI Awardee (AR)