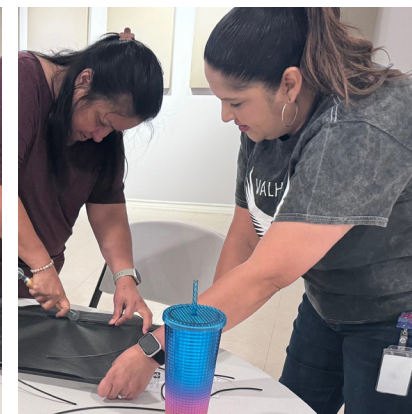
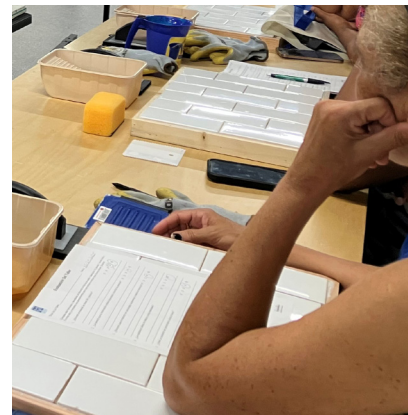


TURNING IDEAS *into* IMPACT



SUSTAINABLE BUSINESS INITIATIVE





THE SUSTAINABLE BUSINESS INITIATIVE

BUILDING STRONGER, MORE SUSTAINABLE COMMUNITY-BASED ORGANIZATIONS

Since 2013, the **Sustainable Business Initiative (SBI)** has helped community-based organizations rethink how they operate, fund, and sustain their missions. It began when NeighborWorks network organizations recognized that traditional grant funding could no longer meet growing needs of their communities. In collaboration with NeighborWorks America, they launched SBI to explore new ways of generating earned revenue that strengthens organizational culture and fosters long-term innovation.

Today, SBI has evolved into a community of 76 organizations nationwide committed to building lasting financial and operational resilience. Through tailored technical assistance, peer learning, and hands-on coaching, participants stabilize staffing, operations, and finances while reinforcing internal systems.

As organizations strengthen their foundations, many uncover opportunities to address unmet community needs through new or expanded revenue-generating business lines. These efforts diversify income and deepen mission impact, allowing organizations to reinvest directly in the people and places they serve.

To accelerate progress, SBI awarded \$75,000 Seed Grants to seven network organizations that demonstrated strong potential for sustainable business growth. Each recipient used the funding to test or expand a mission-aligned concept designed to fill community gaps and create lasting economic opportunity.

The following case studies highlight how these organizations leveraged the Seed Grants to turn vision into action. Their stories illustrate what's possible when strategic investment meets innovation to deliver meaningful, measurable impact.

OUR CORE PRINCIPLES

OPEN TO CHANGE
Strengthen and define organizational culture as a foundation for sustainability.

SUSTAIN THE MISSION
Expand revenue-generating lines of business for long-term stability.

ENTREPRENEURIAL MINDSET
Apply creative, business-oriented thinking to staffing, operations, and finance.

COLLABORATIVE GROWTH
Learn and evolve with a community of peers.

HANDS-ON SUPPORT
Access practical, tailored technical assistance.



SUSTAINABLE BUSINESS INITIATIVE: TURNING IDEAS INTO IMPACT



Powering Resilience Through Energy-Efficient Home Upgrades

The Sustainable Business Initiative

Since 2013, the Sustainable Business Initiative (SBI) has helped community-based organizations strengthen operations and grow sustainable earned-revenue strategies. In 2024, SBI introduced seed grants providing organizations with capital to test scalable business concepts.

Affordable Homes of South Texas, Inc. (AHSTI) received a \$75,000 SBI seed grant to pilot the AHSTI Green Initiative Loan Product designed to finance small-scale, energy-efficiency upgrades and weatherization improvements for low- to moderate-income homeowners.

The AHSTI Story

For nearly five decades, AHSTI has been a leader in affordable housing across South Texas, helping working families purchase and maintain their homes. As both builder and lender, the organization helps manage every stage of the home-ownership process, from construction and mortgage lending to repairs and rehabilitation. The organization also operates several social enterprises through its for-profit subsidiary, including real estate, property management, insurance and subdivision development. These ventures generate earned revenue that supports AHSTI's mission.

AFFORDABLE HOMES OF SOUTH TEXAS, INC.

FOUNDED: 1976
LOCATION: MCALLEN, TEXAS

MISSION:

Enhance the quality of life by providing affordable housing and related services to eligible families.

VALUES:

Commitment, community, purpose.

SERVICES OVERVIEW:

New home construction, lending, homebuyer pre-purchase counseling and education, post-purchase support and home repair services.

COMMUNITY SERVED:

Low- to moderate-income residents of Hidalgo County and surrounding areas in South Texas.



While the organization's traditional home construction and repair programs address structural and safety needs, rising energy costs and increasingly extreme heat revealed a growing need to help homeowners make their properties more energy-efficient. With no formal mechanism to finance sustainability-focused upgrades, the team saw an opportunity to merge affordability and environmental stewardship, creating a way for homeowners to invest in improvements that would pay dividends in savings and resilience.

"Down here in our area, it's incredibly hot," said Myra L. Martinez, AHSTI President & CEO. "There's a lot more that can be done with energy efficiency."

Meeting the Need

Across AHSTI's main service area in Hidalgo County, many families live in aging homes built before modern energy efficiency standards were established. Leaky ductwork, poor insulation and outdated systems drive up utility costs and create challenges for households already navigating financial strain. Many of these older homes trap heat and pollutants indoors, exacerbating respiratory issues such as asthma, allergies and respiratory infections.

AHSTI identified energy efficiency as a clear entry point for expanding its service model. By financing small, meaningful upgrades, such as weatherization and insulation, AHSTI could help homeowners

“Down here in our area, it's incredibly hot ... there's a lot more that can be done with energy efficiency.”

—MYRA L. MARTINEZ,
President & CEO, AHSTI

lower energy consumption, reduce monthly costs and improve resident health while promoting environmental sustainability.

The loan pilot sought to build a sustainable financial structure to implement those improvements. The program would provide accessible loans to cover upgrade costs and use repayments to fund future projects. The long-term vision was to create a revolving lending fund that could scale across AHSTI's service region.

A Business Plan Takes Hold

AHSTI developed a detailed business plan to launch the loan initiative centered around creating a new line of business focused on small-dollar loans for weatherization and energy upgrades. Implementing the plan called for training staff to conduct home energy assessments, develop scopes

of work and oversee installations. To ensure quality standards, the organization would establish partnerships with vetted contractors and energy professionals. The team also planned to conduct targeted outreach to their homeowner network of more than 1,300 families through post-purchase education and community marketing. The pilot plan targeted 12 families, each eligible for up to \$5,000 in loans, while also funding start-up infrastructure and staff training to launch the model. By placing an initial focus on this smaller sample size, AHSTI could both test the effectiveness of the program while increasing the property values of 12 homes through small improvements. The ripple effect would contribute to overall neighborhood revitalization efforts.

AHSTI sought an SBI seed grant to cover the costs of launching the initial program. The organization would use the pilot phase to secure additional funding for lending capital, planning to offer loans at up to \$15,000 per household once the pilot phase concluded.

Seeding Opportunity

The \$75,000 SBI seed grant made it possible to fund \$5,000 loans for 12 homeowners, as well as staff time, training, and early-stage operational costs that would otherwise have limited AHSTI's ability to test the new loan model. Staff trained in energy-efficiency principles, created new outreach materials and began identifying and screening households for participation.

The pilot's launch, however, faced unexpected economic challenges: rising construction costs and homeowners' hesitancy to take on additional debt made it difficult to generate immediate loan activity. Rather than halt the program, AHSTI pivoted, transforming the loan pilot into \$500 weatherization grants that would still allow the team to meet residents where they were, allowing the organization to continue both outreach and assistance. For households that needed more extensive work, they offered a low-interest loan option as the next phase of support.



KEY ACHIEVEMENTS

- Developed and piloted AHSTI's first Green Initiative Loan Product, expanding its housing mission to include sustainability.
- Created a framework for a revolving loan fund supporting energy-efficiency, money-saving improvements.
- Trained staff to assess homes and oversee minor energy upgrades.
- Pivoted to a grant model, making services accessible to homeowners beyond AHSTI's primary cities.

The restructuring also opened new possibilities for partnership and funding. By aligning the weatherization effort with AHSTI's existing emergency repair program, the organization could stretch limited resources further. The emergency repair program, typically offering grants of up to \$300, was combined with the new funding to cover small repairs of up to \$800 for issues such as broken water heaters, roof leaks or insulation needs.

This hybrid approach allowed AHSTI to expand its reach beyond the two cities traditionally covered by its home repair programs (Pharr and McAllen) to serve families across Hidalgo County who would otherwise have had no access to assistance.

Continuing the Impact

Recognizing that economic conditions and inflation continue to make borrowing difficult for many homeowners, AHSTI has decided to transition the loan product entirely to a grant-based model. By removing loan repayment requirements, the organization can move remaining funds into the community more quickly and reach households that might otherwise be left out.

"We're going to go to grants straight across," Martinez explained. "We'd rather



“The Seed Grant gave us a great avenue to help folks that we weren't previously able to help.”

—MYRA L. MARTINEZ
President & CEO, AHSTI

get the money out now to help more folks and come back later, when [the economy] normalizes, to see what these loans could look like.”

This next phase will allow AHSTI to complete 15 to 20 additional home energy assessments and small-scale weatherization projects using the remaining seed grant funds. The work focuses on immediate,

practical interventions, such as replacing inefficient window units, sealing air leaks and improving insulation, to make homes cooler, safer, and more affordable to maintain.

Looking forward, AHSTI plans to seek partnerships and new funding sources to sustain the grant program and continue expanding access to energy efficiency across Hidalgo County.

“It gave us a great avenue to help folks that we weren't previously able to help,” said Martinez. “And we'll give the loan idea some sustainability by coming back to it at a different time.”

About Affordable Homes of South Texas, Inc.

To learn more about AHSTI and their weatherization grants, visit:

 www.ahsti.org

 [www.facebook.com/
AffordableHomesSTX](https://www.facebook.com/AffordableHomesSTX)

 www.instagram.com/AHSTI



SUSTAINABLE BUSINESS INITIATIVE: TURNING IDEAS INTO IMPACT



Building a Prototype for Progress through Modular Home Design

The Sustainable Business Initiative

Since 2013, the Sustainable Business Initiative (SBI) has helped community-based organizations strengthen their foundations and grow sustainable revenue. In 2024, SBI expanded this vision by offering seed grants — capital investments that allow organizations to launch or scale promising earned revenue strategies. Chattanooga Neighborhood Enterprise (CNE) was one of seven organizations to receive seed funding, using the grant to facilitate affordable single-family homebuilding through innovative modular and alternative approaches.

The CNE Story

Chattanooga Neighborhood Enterprise has been a cornerstone of community housing solutions in Chattanooga since 1986. Over the years, the organization has delivered counseling, repair programs, lending and home builds to help families achieve stable housing. However, by 2018, CNE had stopped building single-family homes altogether as construction costs and constrained subsidies had priced them out.

The SBI seed grant enabled CNE to change course. Rather than accepting the pause as permanent, CNE seized the opportunity to innovate. With support from NeighborWorks, they began reimagining

CHATTANOOGA NEIGHBORHOOD ENTERPRISE, INC.

FOUNDED: 1986.
**LOCATION: CHATTANOOGA,
TENNESSEE**

MISSION:

To create economically diverse neighborhoods filled with financially empowered citizens and housing for all.

VALUES:

All Chattanoogaans can afford a safe place in a strong neighborhood to call home.

SERVICES OVERVIEW:

Provides a range of affordable and income-restricted homes for both homeowners and renters with a comprehensive approach to neighborhood investment, resident empowerment and wealth-building initiatives.

COMMUNITY SERVED:

Chattanooga, Tennessee and the surrounding Hamilton County region with a 60–80% AMI focus.



CHATTANOOGA
NEIGHBORHOOD
ENTERPRISE

what affordable single-family housing could look like in Chattanooga's unique environment.

Meeting the Need

Chattanooga families face a widening affordability gap. Median home prices hover around \$350,000, while many families can only purchase homes closer to \$260,000. This \$90,000 difference leaves first-time and moderate-income buyers locked out of ownership opportunities.

"We have a big gap between what our area median workers make and what is available to them to purchase," said City Council Chairwoman and former CNE board member Jenny Hill. "We have a lot of people at CNE that we know are qualified to purchase homes, they're just not capable of paying a mortgage on a \$330,000 house. So, we've got a lot of people sitting on the sidelines, paying high rent, waiting to find something that will work for their family."

Confronted with rising land and labor costs and a shrinking supply of developable lots, CNE's leadership knew it needed a new approach to deliver single-family homes at scale.

A Business Plan Takes Hold

Early inspiration came from a NeighborWorks® America learning visit to DreamBuild in Texas, where CNE staff saw modular construction used effectively for

“We want to show that we can do this. There's the ability to do this, and this home proves it.”

—CHRIS THOMPSON,

CEO, Chattanooga Neighborhood Enterprise, Inc.

affordable housing. The visit revealed how modular homes could streamline costs, improve quality control and drastically shorten build times, all of which would help address the increasing costs and extended timeline that accompany traditional construction. Through shorter timelines and reduced labor costs, this model would allow CNE to deliver homes at an attainable price point for local families.

Yet Chattanooga's landscape posed a different kind of challenge. The city's steep slopes, tight infill lots, and older neighborhood street grids made transporting and setting large modular sections far more complex than in the flat, open sites they toured in Texas. Delivering a single module often requires specialized hauling equipment, precise crane placement and unobstructed road access, all of which are difficult to guarantee in Chattanooga's hilly neighborhoods.

While a direct copy of Texas's DreamBuild proved impractical, the

\$75,000 SBI seed grant allowed CNE to explore how to adapt the model to its terrain.

Seeding Opportunity

With the funding in place, the organization was able to test modular construction as a viable option. The grant covered staff time to research and manage the effort, as well as partnership development, giving CNE the ability to engage with manufacturers, engineers and local trades to solve technical challenges. The team worked with manufacturers to identify smaller unit sizes, local assembly options, and hybrid designs that could make modular more feasible for urban infill. They also recognized modular's potential to complement their stick-built approach, using modular for clustered developments where efficiency gains are highest, while continuing traditional construction for sites with access limitations.

The first outcome was the construction of a three-bedroom modular prototype home, CNE's first new single-family build since 2018. Completed at a cost of approximately \$180,000, the CNE Homes prototype demonstrated that high-quality, energy-efficient single-family housing could be delivered at a price well below the city's median price.

The prototype also dispelled the widely held perception that modular homes resemble "boxy" manufactured units. As CNE President & CEO Chris Thompson noted, "We challenge everybody that walks in to tell us where the boxes are. Nobody has succeeded yet."



KEY ACHIEVEMENTS

- Leveraged the SBI seed grant to launch an innovation initiative exploring modular, stick-built and local manufacturing solutions.
- Developed a prototype modular home as CNE's first step back into single-family construction since 2018.
- Positioned the prototype home to become the first in a developing Community Land Trust, ensuring long-term affordability.
- Set the stage for a scalable pipeline of 10–24 stick built and modular homes annually, helping more local families access homeownership in Chattanooga.



“The support from NeighborWorks has been critical for us to be able to embrace innovation as an organization.”

—JENNY HILL
Chairwoman,
Chattanooga City
Council

CNE is now exploring the option of placing this home in a new Community Land Trust, ensuring permanent affordability for future buyers. In the meantime, the home has been set in a neighborhood and is now open for tours, giving community members, partners and prospective buyers a chance to see firsthand what affordable modular construction can deliver.

“We want to show that we can do this. There’s the ability to do this, and this home proves it,” Thompson said.

Continuing the Impact

The success of the CNE Homes prototype laid the groundwork for the project’s next phase — transforming a single demonstration home into a replicable model for future developments. The team is now developing a scalable pipeline plan to secure new capital and resources, with the goal of producing of 10–24 stick built and modular homes annually by 2027. The plan includes building additional prototypes to test different

construction models, developing the Community Land Trust, and continuing to create and strengthen the manufacturing partnerships that make the construction possible. By investing early in innovation, SBI enabled CNE to move from a pause in homebuilding to a pipeline of possibilities.

“The support from NeighborWorks has been critical for us to be able to embrace innovation as an organization,” said Hill.

About Chattanooga Neighborhood Enterprise

For more about Chattanooga Neighborhood Enterprise and CNE Homes, visit:

 www.cneinc.org

 www.facebook.com/cneinc

 www.instagram.com/cneinc

 [www.linkedin.com/
company/chattanooga-
neighborhood-enterprise](https://www.linkedin.com/company/chattanooga-neighborhood-enterprise)



SUSTAINABLE BUSINESS INITIATIVE: TURNING IDEAS INTO IMPACT



Workforce Training Program Helps Build Homes to Meet Statewide Energy Standards

The Sustainable Business Initiative

Since 2013, the Sustainable Business Initiative (SBI) has helped community-based organizations define and strengthen their culture, stabilize operations and diversify revenue streams to become more resilient. SBI takes an interdisciplinary approach to sustainability, combining technical assistance, peer learning and access to funding to help organizations build entrepreneurial capacity and long-term impact.

In 2024, the initiative expanded its reach through seed grants — capital investments that enable NeighborWorks organizations to test or scale promising

earned revenue strategies. Home Headquarters (HHQ) in Syracuse, New York, was one of seven organizations to receive funding, supporting its launch of a sustainable energy construction business line focused on in-house heat pump installation and workforce training.

The Home Headquarters Story

As a certified Community Development Financial Institution (CDFI) and NeighborWorks member organization, HHQ provides home purchase and repair lending and property development services that create affordable housing opportunities

HOME HEADQUARTERS

FOUNDED: 1996
LOCATION: SYRACUSE, NEW YORK

MISSION:

Create housing and related opportunities and services in Central and Upstate New York that improve the lives of underserved people and revitalize the communities in which they live.

VALUES:

Foster economic growth, opportunities and stability through housing, financial inclusion, climate resiliency and community and business development.

SERVICES:

Housing and financial counseling, home purchase and repair financing, weather-ready homeowner programs, property development opportunities for under-resourced communities.

COMMUNITIES SERVED:

Syracuse and Upstate New York, with a primary focus on low- to moderate-income households.



for underserved residents in Syracuse and Central New York.

Over almost three decades, HHQ has expanded its impact through innovative programs that address both the causes and effects of housing inequity. Its affiliates, Opportunity Headquarters (OPHQ) and Advanced Energy Construction, Inc., extend this mission by serving as the general contractor for new builds and substantial rehabs, and by focusing on energy efficiency through heating and cooling systems.

This commitment to long-term neighborhood health and sustainability positioned HHQ to respond when new statewide energy mandates created both challenges and opportunities for affordable housing developers.

To guide this work, HHQ began developing a Green Energy Technology Business Line, a strategic effort to integrate electrification, renewable technology, and workforce training into its housing development operations.

Meeting the Need

As a leading nonprofit housing organization in Upstate New York, Home HeadQuarters (HHQ) receives state grant funding to build and rehabilitate affordable housing. This requires compliance with state mandates for 100% electrification, primarily through the use of air-source heat pumps for home heating and cooling. When those



“Moving to electrification will ultimately save the homeowner money, but you have to build the contractor capacity for that to happen, and that didn’t exist to meet the needs of the area.”

—KERRY QUAGLIA, *Founder and CEO, Home HeadQuarters*

guidelines first took effect, there were few contractors in the region trained to install heat pumps, and those who did were prohibitively expensive.

HHQ faced the challenge of electrifying every new home it built, an ambitious shift in a region known for sub-zero winters and limited contractor capacity.

“We could put a gas furnace in a single-family home for roughly \$10,000, but for a heat pump, we’re getting costs in the neighborhood of \$30,000,” said Founder and CEO Kerry Quaglia. “Moving to electrification will ultimately save the homeowner money, but you have to build the contractor capacity for that to happen, and that didn’t exist to meet the needs of the area.”

The state’s environmental standards mandated electrification but provided few local means for its implementation. Through the SBI seed grant, HHQ’s nonprofit construction affiliate, Opportunity Headquarters (OPHQ), could step in to fill the gap. Drawing on its long experience as general contractor for HHQ’s new construction and rehab projects, OPHQ set out to train and license its crew to handle heat pump installation in-house, an important step toward maintaining affordability.

A Business Plan Takes Hold

Backed by the SBI seed grant, HHQ was able to experiment, test new systems and build internal capacity through OPHQ. The funding allowed HHQ to train and certify HVAC staff, purchase specialized diagnostic and testing equipment and pi-

lot heat pump installations in new affordable homes.

When HHQ first mapped out its Green Energy Technology Business Line, the plan included both solar and heat pump installation. But as the work took shape, the team quickly saw that solar wasn’t practical for the region.

“We originally thought solar would be where we went, but, on its own, solar didn’t make sense for Syracuse,” said Amanda Schaub, Chief Resource Development & Compliance Officer. “It’s too cloudy, the equipment was hard to get and install and it wasn’t really solving the problem we had. Heat pumps, though, were something everyone was asking for, and they’re required for the state projects we do.”

By shifting focus to heat pumps, HHQ created a new path toward sustainability that directly responded to local climate conditions and housing needs. As temperatures in the region rise, air conditioning, which was once seen as a luxury in Syracuse, has become a necessity, especially for older populations. The heat pump provides both heating and cooling, helping to keep residents safe and comfortable while eliminating the need to install a separate central air system.

The organization earned City of Syracuse licensing for in-house installation and developed an apprenticeship model, pairing licensed technicians with trainees to expand the regional contractor base.

Seeding Opportunity

Bringing installation capacity in-house not only reduced costs and delays but

KEY ACHIEVEMENTS

- Built internal HVAC capacity: Achieved City of Syracuse licensing for in-house heat pump installation and testing.
- Created an apprenticeship pipeline: Developed a crew-based model pairing licensed technicians with apprentices to expand skills and retain workforce capacity.
- Shifted to a market-responsive focus: Redirected training efforts from solar installation to heat pumps in response to demand, regulation and feasibility.
- Improved project efficiency: Reduced reliance on outside contractors, saving time and costs on new builds and rehabs.

“We had to get certified, buy all new testing equipment, and learn how these systems work. This funding really allowed us to get started in a meaningful and successful way.”

— **KERRY QUAGLIA**,
Founder and CEO,
Home HeadQuarters



also created career opportunities within HHQ's team. The effort represents a strategic move toward greater self-sufficiency, quality control and long-term affordability for the families HHQ serves.

“We'll be adding more capacity and getting more people trained to do this so we can do more jobs ourselves and control our own destiny, our costs and the timeliness of our product,” said Quaglia. “We're better off for it, and our new homeowners are as well.”

The SBI investment not only helped HHQ comply with evolving energy standards but also strengthened its long-term ability to deliver sustainable, affordable housing at scale.

“It's a whole new thing for us,” said Quaglia. “We had to get certified, buy all new testing equipment, and learn how these systems work. This funding really allowed us to get started in a meaningful and successful way.”

Continuing the Impact

Beginning in 2026, New York State will require all new residential construction to use electric heat pump systems instead of gas or oil furnaces. In preparation, HHQ is expanding its capacity to install heat pumps across all new construction and substantial rehab projects, approximately 40 homes per year within Syracuse, plus another 40 in surrounding Central New York communities.

Looking ahead, the organization plans to extend this expertise to other developers and homeowners across the state, helping advance New York's energy goals and making energy-efficient housing more accessible.

“We're always looking at ways to expand what we do while staying responsible to the communities we serve,” said Schaub. “New home building and even home rehabilitation prices are ever increasing, so any opportunity that we have in our construction line of business to control costs and better manage time is something our organization, customers and community desperately need.”

About Home HeadQuarters

For more about Home HeadQuarters and the Green Energy Technology Business Line, visit:

 homehq.org

 [www.facebook.com/
HomeHeadQuarters](https://www.facebook.com/HomeHeadQuarters)

 [www.instagram.com/
cnyhomehq](https://www.instagram.com/cnyhomehq)

 [www.linkedin.com/company/
home-headquarters-inc.](https://www.linkedin.com/company/home-headquarters-inc.)



SUSTAINABLE BUSINESS INITIATIVE: TURNING IDEAS INTO IMPACT



LACASA, INC.

FOUNDED: 1970
LOCATION: GOSHEN, INDIANA

MISSION:

Lacasa works with individuals and community partners to create opportunities for personal empowerment, family stability and neighborhood vitality.

VALUES:

Work together. Respect human dignity. Pursue excellence. Build to last.

SERVICES OVERVIEW:

Financial education and homeownership classes, affordable rental properties, matched savings program, home repair loan program, auto loans.

COMMUNITY SERVED:

Elkhart County, Indiana

Keys to Opportunity: How Lacasa Is Opening Doors with Affordable Auto Loans

The Sustainable Business Initiative

Since 2013, the Sustainable Business Initiative (SBI) has helped community-based organizations strengthen their foundations, diversify revenue streams and build long-term sustainability. SBI provides technical assistance, peer learning and access to capital to help organizations operate with an entrepreneurial lens.

In 2024, the initiative expanded through seed grants — targeted investments that allow NeighborWorks® America’s network organizations to test or scale promising earned-revenue strategies. For Lacasa Inc., a long-standing Neighbor-

Works organization in Goshen, Indiana, this funding became the catalyst for a new effort to expand access to affordable transportation through its Alternative Auto Lending Program.

The Lacasa Story

Lacasa primarily serves the community of Elkhart County with a mission to strengthen housing and wealth-building opportunities for individuals and families. As the second-largest HUD-certified housing counseling agency in Indiana, Lacasa serves thousands of residents through homeownership counseling, financial education, matched savings programs and home repair loan products.



The Alternative Auto Lending Program concept began when Interra Credit Union, one of Lacasa's longtime community partners, raised a pressing issue. Too many residents with low or no credit were being denied traditional auto loans, leading them to take advantage of predatory "buy-here, pay-here" dealerships, where the cost of a car was elevated by interest rates of 28% or more, often for unreliable vehicles. Interra approached Lacasa to co-design a solution that combined lending with one-on-one coaching.

With a \$75,000 SBI seed grant, Lacasa was able to cover legal fees, licensing costs and staff time to finalize and launch the program.

Meeting the Need

In Elkhart County, transportation poses a significant challenge to achieving financial stability. While the county has limited public transit provided by the Interurban Trolley system, it is unreliable for the realities of local employment. Higher-paying factory jobs in the RV industry, the county's economic backbone, are located on the outskirts of town, often inaccessible by bus. The lack of reliable vehicles locks families into more accessible low-wage jobs, perpetuating cycles of poverty. Meanwhile, residents with credit scores under 600, often burdened by past collections or

“With relationship-based lending, we look at the paper, but we also want to hear... your goals and aspirations for your future. We want to be a part of that future by actually getting you there.”

—ASHLEY BOWEN, *Lacasa VP of Financial Empowerment*

repossessions, are left with only predatory loan options.

For Lacasa, tackling this problem was not a departure from its mission but a natural extension to help individuals and families to achieve financial stability by addressing one of the most pressing local barriers.

“It's really about making sure people can get to and from work, doctors' appointments and to all the things that come along with kids in an effort to create more stable families and a stable workforce for the employers around the area,” said Lacasa CEO Jeremy Stutsman.

A Business Plan Takes Hold

The SBI seed grant covered legal compliance, loan licensing and staff time to manage program development, allowing Lacasa to officially launch the Auto Loans by Lacasa program in February 2025 with a soft rollout.

“We had been working on this, and we didn't have an extra pot of money specifically to fund this initiative and handle the legal fees for it and what specifically needed to be done for the loan license,” said Lacasa Vice President of Financial Empowerment Ashley Bowen. “When we saw the SBI seed grant come out, it was incredible. It's what helped us turn this idea into an actual program that is now up and running.”

The defining aspect of this loan program is that it combines financial coaching with relationship-based lending. Applicants work one-on-one with a coach to review budgets, understand credit and complete

auto loan education, including car maintenance. Lacasa then pre-approves the loan, and Interra Credit Union services it, ensuring seamless payments.

Through this relational approach, Lacasa can guide applicants beyond the immediate loan — helping them rebuild credit, build financial habits and prepare for larger goals such as homeownership — rather than simply approving or denying based on a score.

“With risk-based lending, they can look at you on paper and tell you whether or not you're approved,” said Bowen. “With relationship-based lending, we look at the paper, but we also want to hear the story of what actually got you there, and your goals and aspirations for your future. We want to be a part of that future by actually getting you there, so it's not, 'Here's your loan. Good luck making the payments.' It's 'Here's your loan, and if you can't make a payment, call me, because we need to work together to work through whatever's going on in your life.’”

Seeding Opportunity

The program's initial rollout demonstrated that community demand for fair, affordable auto loans was strong. In its first month, they received more than 30 inquiries, and staff quickly realized adjustments were needed. For example, initial eligibility criteria based on 200% of the Federal Poverty Level proved unsustainable; families at that income level struggled to manage all car-related expenses. The threshold was adjusted to 80% of



KEY ACHIEVEMENTS

- Launched a new community auto lending program with a \$75,000 SBI seed grant, covering legal compliance, licensing and staffing to make the initiative possible.
- Established a revolving loan fund of \$400,000 in partnership with Interra Credit Union, creating a sustainable pool to finance affordable auto loans.
- Received more than 30 inquiries in the first month, demonstrating strong community demand and prompting adjustments to eligibility criteria to better serve participants.
- Integrated financial coaching with relationship-based lending, enabling participants not only to access reliable vehicles but also to rebuild credit and prepare for long-term goals like homeownership.

“When we saw the SBI seed grant come out, it was incredible. It’s what helped us turn this idea into an actual program that is now up and running.”

—ASHLEY BOWEN
Lacasa VP of Financial Empowerment



area median income, making the loans more viable for participants.

The program’s early stages have not been without challenges. Many applicants arrived with high levels of “bad debt” and unrealistic expectations, requiring staff to refine their messaging and outreach. Yet, this careful vetting reflects Lacasa’s commitment to improving a family’s situation through lending as a pathway to long-term stability. The revolving loan fund, seeded with \$400,000 from Interra, ensures that repayments cycle back into new loans.

Continuing the Impact

Lacasa’s immediate goal is to issue 50 loans per year. Interra’s initial commitment is expected to be matched by other institutions as proof of concept grows. The long-term vision is to expand beyond Elkhart County and recruit new financial partners.

While the initial focus was on providing financing directly to individuals, partnering with local employers quickly emerged as a strategic way to expand the program’s reach. In a region with limited public transit, employer referrals help identify participants facing transportation barriers. When employees learn about the program through their workplace, they are often more invested in the process, leading to

stronger follow-through and greater long-term success.

As Bowen shared, “I’m most looking forward to the success stories ... watching their credit scores go up and seeing them on a larger path toward homeownership”.

The impact of SBI’s seed funding is already evident in Lacasa’s ability to turn a bold idea into a functioning program that offers families a fair alternative to predatory lending. Bowen summarized, “Patience is key to success in new ventures ... This will be an impactful program as long as we stay committed to offering it to those who need it.”

About Lacasa Inc.

For more about Lacasa and their Auto Loans by Lacasa program, visit:

 Lacasainc.net

 www.facebook.com/LacasaInc

 www.instagram.com/lacasainc

 www.linkedin.com/company/lacasainc



SUSTAINABLE BUSINESS INITIATIVE: TURNING IDEAS INTO IMPACT



Unleashing Affordable Homeownership Through Financing Programs for Manufactured Homes

The Sustainable Business Initiative

Since 2013, the Sustainable Business Initiative (SBI) has helped community-based organizations strengthen their foundations and grow sustainable revenue. To date, dozens of organizations nationwide have benefited from SBI's technical assistance, access to grants and a vibrant peer community committed to long-term sustainability.

In 2024, SBI expanded this vision by offering seed grants — capital investments that allow organizations to launch or scale promising earned revenue strategies. NeighborWorks Home

Partners (NWHP) in Saint Paul, Minnesota, was one of seven organizations to receive seed funding, enabling them to pursue innovative financing solutions for manufactured homes.

The NeighborWorks Home Partners Story

NeighborWorks Home Partners has long focused on expanding access to affordable homeownership. With deep expertise in lending, counseling and community partnerships, NWHP has historically supported households facing systemic barriers through innovative products and services. The SBI seed grant served as a catalyst

NW HOME PARTNERS

FOUNDED: 1981
LOCATION: SAINT PAUL AND MINNEAPOLIS, MINNESOTA

MISSION:

Empowering individuals and communities by helping people buy, repair and keep their homes.

VALUES:

Empowerment; collaboration; inclusivity; sustainability; innovation; integrity and equity

SERVICES OVERVIEW:

Homebuyer education and advising, mortgage and down payment assistance, refinancing counseling, home repair/maintenance lending and manufactured home financing

COMMUNITIES SERVED:

Minnesota Twin Cities metro area and greater Minnesota.



for entering a new and challenging area: financing manufactured homes in park communities, an under-resourced yet critical component of the state’s affordable housing landscape.

Meeting the Need

For decades, manufactured homes in Minnesota parks have lacked access to affordable, fair financing. Because these homes are titled as personal property rather than real estate, buyers often rely on predatory loans with high interest rates — sometimes as high as 7–20% — and short terms. Many down payment assistance programs also exclude manufactured homes, further limiting access to homeownership.

At the same time, manufactured homes represent one of the few truly affordable pathways to ownership for families who are priced out of traditional single-family homes. With rising housing costs across Minnesota, these homes can offer stable, long-term housing at a fraction of the cost, especially in cooperatively owned parks where residents have more control over their communities.

While lot rent can limit choices, manufactured homes still offer one of the most attainable entry points to ownership compared to traditional housing. “They can buy a brand new, three-bedroom unit for around \$159,000 ... the units themselves are absolutely affordable in the

“ Without the seed grant, we would have moved much more slowly and on a smaller scale. This investment gave us the head start we needed to realistically meet our 2027 goals.”

—BETH HYSER, Chief Program Officer, NW Home Partners

buying world. In our market, you can’t find a new house for \$160,000. You’d be lucky to find one for \$350,000,” said NeighborWorks Home Partners Chief Program Officer Beth Hyser.

With approximately 800 parks across the state, including many cooperatives, the need for sustainable financing options was clear. Yet NWHP had no prior products serving this market, making the leap both daunting and necessary.

A Business Plan Takes Hold

NWHP’s entry into manufactured home lending began with a partnership. CoNorth, a cooperative development nonprofit with programs focused on manufactured home communities, secured \$10 million in legislative funding to support first financing for manufactured homes, but lacked lending capacity. They turned

to NWHP, whose board and lending team recognized the alignment with their mission.

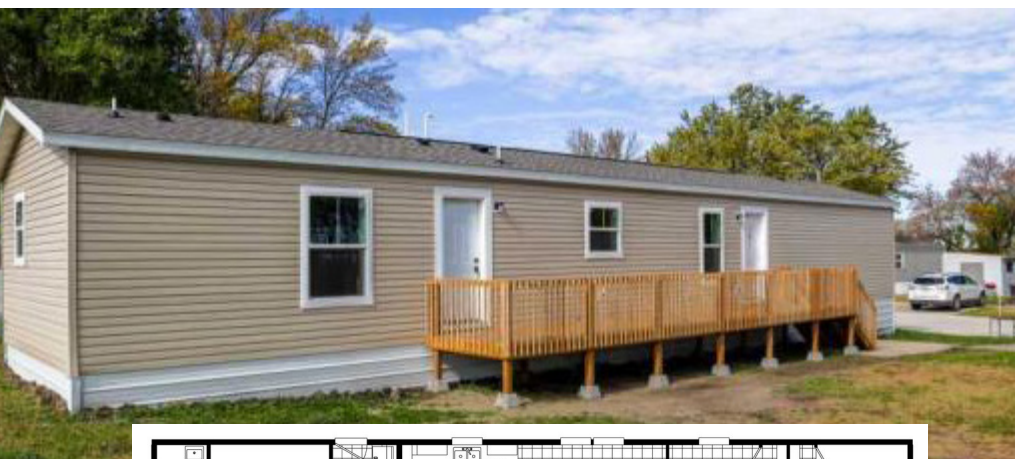
Through the SBI seed grant, NWHP was able to dedicate resources to explore this new frontier, hire staff and design a lending model. This work quickly became one of the organization’s primary strategic priorities.

Seeding Opportunity

The \$75,000 SBI seed grant provided the essential support needed to move the program from concept to reality. With these resources, NWHP hired and trained a dedicated loan officer, giving the organization the capacity to lead this new line of work. Staff researched national models, drawing on technical assistance from a nonprofit in New Hampshire, and developed comprehensive product guidelines that ultimately received board approval.

At the same time, NWHP negotiated contracts with the state housing finance agency and began early marketing, which included outreach to more than 300 park managers across Minnesota. These steps laid the groundwork for the launch of Prime Path, NWHP’s first financing product for manufactured homes. Introduced in May 2025, Prime Path finances only new, energy-efficient homes that meet HUD’s updated build standards. Alongside this, CoNorth secured a limited pool of down payment assistance for cooperative park communities.

“Without the seed grant, we would have moved much slower and on a smaller



KEY ACHIEVEMENTS

- Launched Prime Path, Minnesota's only nonprofit-led first financing product for new manufactured homes in park communities.
- Hired and trained a dedicated loan officer to lead the program.
- Joined with CoNorth and the Minnesota legislature to manage and deliver a \$10 million financing pool for manufactured homes.
- Secured companion down payment assistance funds for cooperative park communities.
- Received early demand: multiple inquiries and three purchase agreements within weeks of launch.



“It's hard to afford a home as a first-time home buyer. And this is a really good option.”

— **BETH HYSER**
Chief Program Officer, NW Home Partners

scale,” said Hyser. “This investment gave us the head start we needed to realistically meet our 2027 goals.”

Continuing the Impact

NWHP is actively working to refine guidelines, expand marketing reach and explore solutions for affordability challenges tied to high lot rents.

“The next step for us is a marketing campaign that helps destigmatize manufactured home community living to people who haven't considered it before and position it as a viable option for first-time home buyers,” said Hyser. “It's hard to afford a home as a first-time home buyer. And this is a really good option.”

Looking ahead, they are pursuing additional loan capital for 2026, engaging with state and local partners to strengthen infrastructure support, and considering long-term strategies for financing existing manufactured homes — currently excluded but critical for preservation.

By entering this often-overlooked sector, NWHP is not only creating new pathways to homeownership in Minnesota but also establishing a model that could guide Community Development Financial Institutions nationwide in expanding their presence in manufactured housing finance.

About NeighborWorks Home Partners

For more about NeighborWorks Home Partners and the Prime Path program, visit:

 nwhomepartners.org

 www.facebook.com/nwhomepartners

 www.instagram.com/nwhomepartners

 www.linkedin.com/company/2662822



SUSTAINABLE BUSINESS INITIATIVE: TURNING IDEAS INTO IMPACT



RENAISSANCE ECONOMIC DEVELOPMENT CORPORATION

FOUNDED: 1997
(REDC, AAFE 1974)

LOCATION: NEW YORK, NEW YORK

MISSION: Transform low- to moderate-income communities by supporting under-resourced entrepreneurs with affordable small business loans, training and counseling.

VALUES: Renaissance is breaking down barriers to economic opportunity by equipping under-served, low-income entrepreneurs with the education, capital, and unwavering support they need to thrive. We replace predatory lending with responsible, affordable financing—ensuring business owners have a trusted partner as they build wealth, strengthen communities, and create lasting change.

SERVICES: Small business lending, technical assistance and business advising and partnerships that expand access to affordable capital.

COMMUNITIES SERVED: New York Metro region, including New York City, Long Island, the Mid-Hudson Valley and northern New Jersey.



RENAISSANCE
SMALL BUSINESS SERVICES

Expanding Economic Opportunity Through Small Business Lending

The Sustainable Business Initiative

Since 2013, the Sustainable Business Initiative (SBI) has helped community-based organizations strengthen operations and diversify revenue models with an entrepreneurial lens. In 2024, SBI introduced seed grants — capital investments that allow organizations to launch and scale earned revenue strategies that build long-term sustainability.

Renaissance Economic Development Corporation (REDC) was one of seven recipients receiving \$75,000 to expand mission-driven, small-business lending and advising to small businesses outside New York City.

The Renaissance EDC Story

Founded in 1997 as an affiliate of Asian Americans for Equality (AAFE), REDC has long supported small businesses in New York City that were excluded from traditional financing. As a federally certified Community Development Financial Institution (CDFI), REDC is part of a national network of mission-driven lenders that fill critical gaps left by mainstream banks, bringing flexible, affordable capital to small business owners and communities.

With rising commercial and housing costs pushing entrepreneurs out of New York City, REDC identified growing unmet demand in nearby regions with

limited access to affordable capital and culturally competent business advice.

Meeting the Need

Market research identified strong demand for responsible lending and multi-language business support in Long Island, the Mid-Hudson Valley and northern New Jersey, communities experiencing both small-business growth and financial vulnerability. Many entrepreneurs faced costly online lending products and had limited access to technical assistance, making it difficult to stabilize or scale their operations.

To ensure continued access to capital, REDC set out to bring its trusted model closer to the communities where entrepreneurs now live and work.

A Business Plan Takes Hold

REDC developed a growth plan to expand its impact while building long-term sustainability. The strategy focused on strengthening earned revenue through increased lending volume outside New York City, with a goal of 30% of the organization's total loans coming from these new markets within three years.

The plan called for deeper regional outreach through partnerships with networks



“ I don't know if many people really think about branding and marketing and name recognition when they think of nonprofits, but for us, it's really important to put our name out there as trusted partners ... we see marketing and development as an investment.”

— JESSIE LEE, *Managing Director, REDC*

that could reliably connect REDC with entrepreneurs facing barriers to affordable financing. It also recognized that success would depend on the kind of support REDC is known for: multilingual technical assistance in English, Chinese, Korean and Spanish that helps business owners navigate the loan process and improve financial resilience.

“I don't know if many people really think about branding and marketing and name recognition when they think of nonprofits, but for us, it's really important to put our name out there as trusted partners,” said REDC Managing Director Jessie Lee. “We see marketing and development as an investment. If you don't invest in these areas, you're not going to get additional funding, because people don't know you.”

To reach entrepreneurs who may not yet be connected to service providers, REDC identified the need to expand visibility through targeted media and regional partners. Internally, the organization began preparing for growth by upgrading its accounting and CRM systems to support higher transaction volumes and a broader funding base.

With a strong strategy in place, REDC needed flexible capital to put the plan into action through staffing capacity, outreach resources and market presence to accelerate entry into new communities and create a foundation for sustained earned-revenue growth.

“We're trying to meet people where they are, and now that we have grown, we have the capacity to do it, but we're still going to need some initial help in building up the operation. The SBI grant was a fit to help that expansion,” said REDC Development Manager Glenn Davis.

Seeding Opportunity

The \$75,000 SBI seed grant provided the capital REDC needed to move its expansion plan from the concept phase into the community. With this investment, REDC was able to increase bilingual business development and counseling capacity, ensuring entrepreneurs could receive one-on-one support in four languages as they explored responsible financing options. The funding also allowed the organization to launch targeted outreach through targeted media and digital channels, an essential step in reaching business owners who might never have considered a CDFI.

SBI seed capital helped REDC establish a service presence in New Jersey and suburban New York, building trust and visibility in areas where immigrant entrepreneurs had limited access to affordable funding. As a result, the organization quickly began serving clients who were either shut out of traditional lending or burdened by high-cost online products.

Within just the first year of implementation, the results affirmed the strategy. REDC reached more than 300 clients

KEY ACHIEVEMENTS

- Launched regional expansion into Long Island, the Mid-Hudson Valley and northern New Jersey.
- Reached more than 300 clients and provided 31 loans (more than \$2.8 million) in new markets in the first year.
- Closed 25% of loans and 36% of total investment outside New York City, achieving multi-year growth targets early.
- Assisted loan clients in exiting predatory financing agreements, which are more prevalent in expansion areas due to a less robust CDFI environment.
- Facilitated a 30% increase in overall organizational lending, allowing more under-resourced small businesses to create and retain jobs in their communities.

“We’re trying to meet people where they are, and now that we have grown, we have the capacity to do it – but we’re still going to need some initial help in building up the operation. The SBI grant was a fit to help with that expansion.”

—GLENN DAVIS
Development Manager,
REDC



and provided approximately \$2.8 million in loans across its expansion markets, exceeding its multi-year performance goals well ahead of schedule. More importantly, small businesses gained stable, responsible financing that supports growth without predatory risk.

Continuing the Impact

REDC is deepening its local pipelines through expanded community partnerships, lender training, and small business advising focused on improving repayment performance and strengthening long-term sustainability. As the organization grows, it continues to generate stable local jobs, support intergenerational wealth building and reinforce small business ecosystems beyond New York City.

The team also plans to extend its impact through digital education. Since the downsizing of Small Business Development Centers across the state, entrepreneurs have had limited access to training and technical assistance. In partnership with Leadflow, a consultant team of digital marketing specialists, REDC is enhancing its own digital strategy while providing marketing education and webinars

to small business owners in New Jersey. By helping small business owners build their digital presence, REDC aims to ensure they can access, manage and sustain capital more effectively.

“Capital really changes people’s lives overnight and opens a door for a lot of people,” said Lee.

About Renaissance Economic Development Corporation

To learn more about Renaissance EDC and Asian Americans for Equality (AAFE affiliate), visit:

 www.renaissancesbs.org
www.aafe.org

 [www.facebook.com/
REDCSmallBusiness](https://www.facebook.com/REDCSmallBusiness)

 www.instagram.com/redcnyc



SUSTAINABLE BUSINESS INITIATIVE: TURNING IDEAS INTO IMPACT



Reconstructing Opportunity: Building Capacity in Camden

The Sustainable Business Initiative

Since 2013, the Sustainable Business Initiative (SBI) has helped community-based organizations strengthen their operations and diversify revenue streams to become more resilient. SBI provides technical assistance, peer learning and access to seed funding, enabling organizations to operate with an entrepreneurial mindset while advancing their missions.

In 2024, SBI expanded through a new round of seed grants — capital investments that allow NeighborWorks organizations to test or scale earned-revenue strategies. For St. Joseph's Carpenter

Society (SJCS) in Camden, New Jersey, this funding supported the relaunch of its general contracting arm, a move designed to enhance cost efficiency, improve construction timelines and create workforce opportunities for residents.

The St. Joseph's Carpenter Society Story

For nearly four decades, St. Joseph's Carpenter Society has been supporting transformation in Camden's neighborhoods. From its roots in East Camden, SJCS has helped thousands of families purchase, repair and sustain affordable homes while empowering residents and investing in neighborhood stabilization.

ST. JOSEPH'S CARPENTER SOCIETY

FOUNDED: 1985
LOCATION: CAMDEN, NEW JERSEY

MISSION:

Build wealth and cultivate community through healthy, affordable homes, vibrant neighborhoods and empowered residents.

VALUES:

Cultivate community; believe in the dignity of all people; promote fair access; hold passion and commitment to mission; conduct business with honesty and integrity.

SERVICES OVERVIEW:

HUD-certified homebuyer counseling, home renovation and repair, new home construction, rental housing and property sales.

COMMUNITIES SERVED:

Camden and Burlington counties, with a focus on East Camden. Most participants earn 80% or less of area median income, including many seniors on fixed incomes.



SAINT JOSEPH'S
CARPENTER
◆ SOCIETY ◆

The organization remains deeply embedded in the community, tackling aging housing stock, affordability gaps and the lack of skilled local contractors. By reestablishing its in-house construction program, SJCS sought to better manage the rising costs of development while providing job training and employment pathways for Camden residents.

Meeting the Need

For years, SJCS maintained a small construction crew that supported both internal rehabilitation projects and work for other Camden organizations. However, as SJCS's rental portfolio grew, that team was redirected to property management, leaving limited capacity for new development or external projects.

At the same time, the organization's workload was expanding through new homeowner repair, lead remediation and weatherization programs — all requiring reliable, cost-effective construction support. Recognizing the strain on timelines and quality control, SJCS saw an opportunity to rebuild an in-house general contracting initiative to manage projects directly and strengthen long-term sustainability.

During the pandemic, SJCS acquired a vacant building just half a block from its main office. With earlier technical assistance from the NeighborWorks Sustainable

“We were excited to see how this could be a model of repairing the neighborhood using local, homegrown people and keeping that investment in the city of Camden and the neighborhoods that we work in.”

—ENRIQUE RIVERA, *Director of Neighborhood Development*

Business Initiative, the organization developed a business plan for the space, envisioning it as a hub for workforce development, property maintenance and construction operations. That planning work laid the foundation for formalizing this capacity through the SBI Seed Grant.

A Business Plan Takes Hold

SJCS developed a plan to formally restart its general contracting operations, which had been inactive for several years. The plan sought to formalize this construction arm by purchasing capital equipment and hiring a construction foreman to reestablish internal capacity. These efforts aimed to make the organization self-sufficient in managing its construction pipeline,

strengthen cost control and increase project efficiency.

Under the new structure, the construction supervisor would expand a small in-house crew responsible for both new builds and rehabilitation projects. The long-term vision was to establish a full construction team capable of taking on outside contracting work, generating earned income while advancing community impact.

To achieve this, SJCS needed start-up capital for staffing, equipment and workforce training, and looked to fill the gap through the NeighborWorks SBI seed grant.

Seeding Opportunity

The \$75,000 SBI seed grant enabled SJCS to turn its business plan into action. The organization used the funds to hire a construction supervisor, purchase a work truck and specialized tools, and cover start-up expenses for relaunching internal contracting operations.

The investment has already produced measurable results. Construction timelines have dropped from an average of 10 months per home to roughly seven, and cost savings have been reinvested into expanding SJCS's pipeline of affordable homes.

“The SBI grant has been good fuel for this engine and really helped us be able to put these pieces together,” said Director of Neighborhood Development Enrique Rivera. “The support has been instrumental



KEY ACHIEVEMENTS

- Relunched general contracting operations after years of outsourcing construction management.
- Hired a construction foreman and rebuilt internal capacity for managing new builds and repairs.
- Reduced home construction timelines from 10 months to seven months.
- Purchased essential tools and vehicles for in-house construction and repair work.
- Created workforce development internships for three Camden youth, expanding access to construction careers.

“The SBI grant has been a good fuel for this engine and really helped us put these pieces together.”

— ENRIQUE RIVERA
Director of Neighborhood Development



in helping us look at what small wins we can use to support our work.”

The effort also helped SJCS deepen its commitment to workforce development. Using its newly outfitted building as a training hub, SJCS partnered with a local technical high school and community organizations to create hands-on learning opportunities in construction and home repair. The organization reintroduced internships for three Camden youth, pairing them with its construction team to gain practical experience on active job sites. While small in scale, these early internships demonstrate how the expanded construction arm can also serve as a pipeline for training and employing residents, connecting the seed grant's operational investments directly to community impact.

Continuing the Impact

Looking ahead, SJCS plans to expand its construction crew, take on additional home repair and rehabilitation projects, and build new partnerships with workforce development agencies.

“What's exciting about where we are now is that all these different pieces are finally coming together,” said SJCS Executive Director Pilar Hogan Closkey. “It feels

like the good kind of perfect storm — a lot happening at once, but it's all pulling together in the right direction.”

The organization is also exploring opportunities to manage construction projects for other nonprofits and small developers, generating new income streams to help sustain its community programs.

“We were excited to see how this could be a model of repairing the neighborhood using local, homegrown people and keeping that investment in the city of Camden and the neighborhoods that we work in,” said Rivera. “It's worthwhile, it's hard work, but it's doable. You just need the right kind of investment.”

About St. Joseph's Carpenter Society

For more about St. Joseph's Carpenter Society and the expansion of their general contracting operations, visit:

 www.sjcscamden.org

 www.facebook.com/sjcs85

 www.instagram.com/sjcscamden