

Quarter One 2020

# CNote Quarterly Impact Report





## Letter from CNote's CEO

As I write this, the COVID-19 pandemic is having a massive impact across the globe. This medical crisis has also spawned an economic one, as businesses are forced to close and economic activity grinds to a halt across America. My thoughts go first to families impacted by this disease, next I share gratitude and well wishes to all the medical professionals and first responders on the front lines fighting this virus.

The economic impact of this crisis promises to be significant, especially for low-income and under-served communities. There are those already on the ground fighting to help small firms, Community Development Financial Institutions (CDFIs) are well situated to address this crisis, they know the needs of small firms better than anyone else because they are embedded in the communities they serve. CNote will continue to work to drive investment capital to CDFIs, where they can have a significant impact. We'll also look for other ways we can support the industry and prevent this crisis from irreparably harming low-income communities like we saw after the last financial crisis.

Looking back on this last quarter, CNote has continued to drive positive change in the financial services industry. With new additions to our product suite like the Promise Account at the end of 2019, we have seen strong growth in assets deployed in the community. Knowing that foundations, institutions, and individual investors are using our platform to invest this kind of capital in measurable impact is truly inspiring.

Finally, new CDFI partnerships this quarter, like the one we've formed with the Natural Capital Investment Fund, have meant we're increasingly able to zero in on the communities and causes our investors want to support including the green economy and addressing climate change. Our choice of CDFI partners as an asset class that offers a low-risk profile while generating returns is more meaningful now than ever.

Thank you for your continued support of CNote and our work towards closing the wealth gap. Please feel free to share this update with friends, colleagues and business partners. If there's ever anything myself or my team can do for you, please email me at [cat@mycnote.com](mailto:cat@mycnote.com)

With Gratitude,

A handwritten signature in black ink that reads "Catherine Berman". The signature is fluid and cursive, with a large loop at the end.

Catherine Berman  
CNote CEO



## Snapshot impact this quarter

57%

dollars to minority-led businesses (MLB)

39%

dollars to women-led businesses (WLB)

57%

dollars in LMI communities

260

Jobs Created / Maintained

\*CNote's Quarterly Reports have a one-quarter lag on impact data. This is because we report data received directly by our CDFI partners and that data does not come in real-time.

## CNote Updates



CNote is proud to be recognized as an Emerging Impact Manager in the [2020 Impact Assets 50](#). With an impressive group of this year's selected fund managers, we are pushing the investment landscape towards improved social and environmental returns alongside financial returns. Our work directing every dollar invested toward female- and minority-led small businesses, affordable housing, and economic development through a nationwide network of CDFIs has long been our unique approach to creating this meaningful impact.

This quarter we worked to recognize CDFIs that provide financial resources to native and indigenous communities throughout the United States. CNote was able to facilitate an hour-long webinar highlighting these organizations and their experience empowering Native Americans through the work they do. [Watch on-demand](#).



# Meet Clara Olguin, using her business as a platform for community impact



In the early 2000s, Clara Olguin combined her passion for growth and exploration with her future husband's work in the flooring installation industry. After the first five years focussed on installation work, it was time for a change. To Clara and Cesar the answer was opening up a showroom, but they needed financial help to do so. Several denied bank loan applications later, the couple was referred to Access to Capital for Entrepreneurs (ACE), an Atlanta-based CDFI. ACE quickly helped CIC Floors obtain a small business loan to rent a space for its showroom, and two years later, CIC Floors received a second loan from ACE that helped triple the company's revenues.

For Clara and Cesar this was all the help they needed. CIC Floors began to flourish and quickly outgrew the small space they had acquired. "We were grateful for the opportunity, trust, and money ACE gave us," she said, "but the showroom was packed, and we didn't have space to receive all of our customers!" Eventually, the couple found a new space for their business and threw themselves into developing designs for a larger showroom.

Today, Olguin says the new showroom is a dream come true and business is booming. "I cannot say enough about the networking and connections ACE has made for us," she said, "they helped us to further develop our business and to forecast our growth for the next five years. That's why I feel so confident today. I know where I'm going."

On top of being confident in the direction of their business, Clara and Cesar are using their success to further support the development of their community. The company already donates a portion of its annual earnings to various causes, including the [Jeannette Rankin Foundation](#), [Georgia Goal Scholarship Program, Inc.](#), and [Children's Healthcare of Atlanta](#). More than this, CIC's owners want to explore opportunities to support the flooring installation workforce through classes and training, especially for non-native English speakers and refugees. "To us, being a part of our community and giving back makes sense to us," Olguin said. "It's who we are."



ACCESS TO CAPITAL FOR ENTREPRENEURS

*This story comes from CNote CDFI partner, Access to Capital for Entrepreneurs (ACE), based in Georgia.*

