

Social Finance Impact First Fund



Quarterly Report for the Period Ending June 30, 2025

Now more than ever, we have the opportunity to support the ingenuity of American entrepreneurs who are strengthening our economy while improving lives and communities.

The Impact First Fund is built to deliver flexible, risk-tolerant capital to innovative business models addressing today's most pressing social and environmental challenges. It offers a simple, cost-effective way to invest in a professionally managed portfolio with a clear focus on impact.

We are grateful for your partnership in this work. Read more about our diversified portfolio and this quarter's highlights below.



Tracy Palandjian
CEO & Co-Founder



Kirstin Hill
President & COO



Stephen Vicinelli
Vice President Impact Investments

QUARTERLY HIGHLIGHTS

- Two new approved investments: [Grameen America](#), a Community Development Financial Institution providing microloans to low-income women entrepreneurs, and [MAD Capital](#), a debt fund supporting farmers' transition to sustainable practices.
- The Impact First Fund's impact rating methodology was highlighted in "[More than a Starting Point: Unlocking the Full Potential of Impact Ratings](#)," by Impact Frontiers and the Center for the Advancement of Social Impact (CASE) at Duke University.
- Social Finance's Catherine Dun Rappaport, one of the industry's top measurement leaders, led "[Using Research to Enhance Impact Investing](#)," a conversation hosted by the American Evaluation Association.
- [Workforce Realigned, Vol. II](#), a new book from the Social Finance Institute and the Federal Reserve Banks of Atlanta, Chicago, Philadelphia, and Richmond, launched at a day-long event last month. The book features chapters by 35 of the country's leading policymakers and practitioners committed to improving economic mobility. [See highlights >](#)

SOCIAL FINANCE IMPACT FIRST FUND'S GOALS



Support measurable, positive impact for people and planet



Create wealth and opportunity for people from under-resourced communities



Address persistent gaps in financing for early-stage funds and enterprises that have high-impact potential



Build the field of impact-first investing

CAPITAL RAISED



**\$20.7
MILLION**

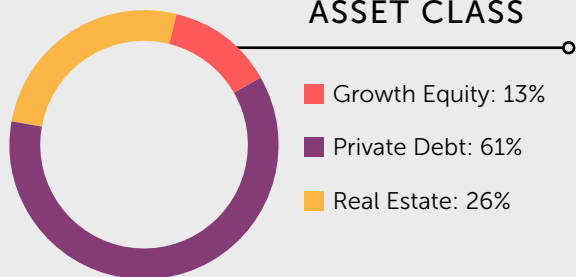
Impact First
Fund AUM

CAPITAL DEPLOYED

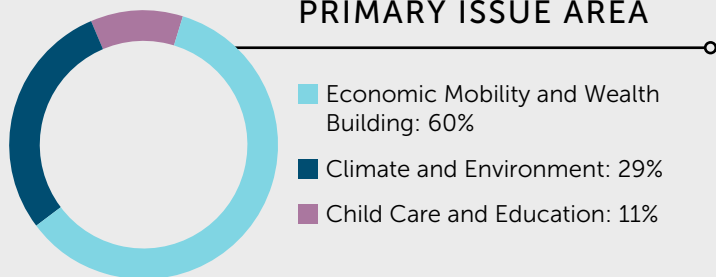
FUND	AMOUNT	ISSUE AREA	STRATEGY	STATUS
Blackstar Stability Distressed Debt Fund	\$5.0M	Affordable Housing	Real Estate	Closed
Afterglow Climate Justice Fund	\$2.5M	Climate/ Environment	Private Debt	Closed
RuralWorks	\$2.5M	Economic Mobility	Growth Equity	Closed
CARE REIT/ Mission Driven Finance	\$2.0M	Child Care/ Education	Private Debt	Approved
Grameen America	\$4.0M	Small Business	Private Debt	Approved
MAD Capital	\$3.0M	Regenerative Agriculture	Private Debt	Approved

IMPACT INVESTING AREAS

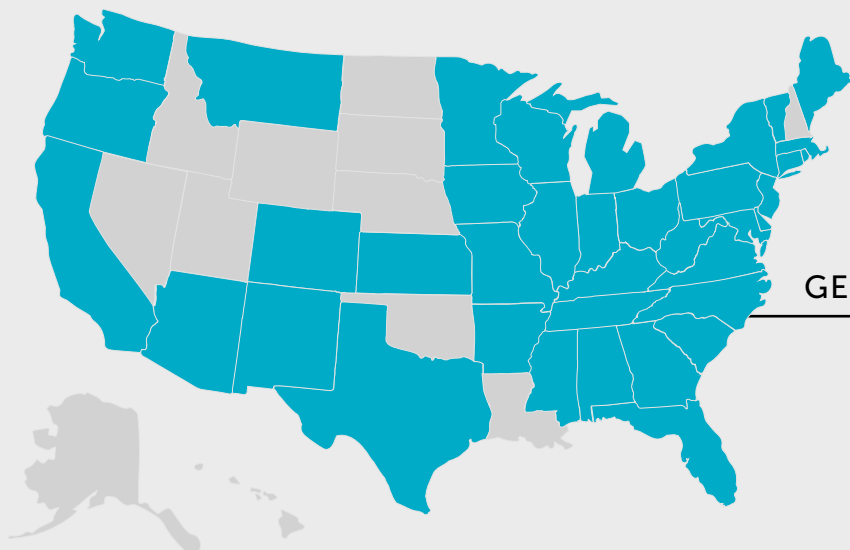
ASSET CLASS



PRIMARY ISSUE AREA



GEOGRAPHY



PORTFOLIO HIGHLIGHTS

BLACKSTAR STABILITY



Economic Mobility
and Wealth Building

POPULATION SERVED

Low-income households targeted by lenders offering risky mortgage alternatives, a \$200B market.

OUTCOMES

- › 103 households served
- › \$51K average wealth created per household through home equity
- › 54% reduction in monthly homeowner payments

INVESTMENT CASE

For many families, owning a home is the foundation of financial stability, and it's often their biggest source of wealth. Blackstar Stability purchases risky financing agreements—like lease-to-own deals or contracts-for-deeds— and converts them into fair, traditional mortgages, helping families stay in their homes and build equity.

Update: Blackstar's acquisitions have accelerated throughout the first half of 2025. The Fund has acquired 1,000+ assets across 31 states and is converting the underlying financing arrangements to traditional mortgages. The Fund also launched a deferred maintenance pilot to help homeowners make necessary repairs.

Source: Blackstar Stability Q1 2025 Quarterly Management Report (May 2025)

AFTERGLOW CLIMATE JUSTICE FUND



Climate
and Environment

POPULATION SERVED

"Frontline communities" most likely to be impacted by effects of climate change

OUTCOMES

- › 11,865 low- and moderate-income households served
- › 19% average energy bill reduction for solar customers
- › 237 construction and green jobs created

INVESTMENT CASE

The Afterglow Climate Justice Fund directs capital to those on the front lines—communities facing high energy costs, extreme weather, and systemic disinvestment. By financing community-led clean energy projects, green buildings, and low-emissions transportation, the fund helps build a regenerative economy rooted in justice, resilience, and shared ownership.

Update: As of April 2025, Afterglow has deployed nearly \$25M to seven borrowers. While their portfolio has been primarily focused on solar to date, Afterglow recently began making loans to support electric vehicle infrastructure. Afterglow continues to raise capital to support its robust pipeline of investment opportunities that advance climate justice.

Source: Afterglow Climate Justice Fund Q1 2025 Investor Report (May 2025)

RURALWORKS



Climate
and Environment

POPULATION SERVED

Rural communities with populations under 50,000

OUTCOMES

- › 220 jobs supported at rural businesses with a sustainability focus
- › 100% of employees have access to 401(k) retirement benefits
- › \$250 average 401(k) savings/month for employees of portfolio companies

INVESTMENT CASE

Rural businesses are vital to the U.S. economy and environment, yet they receive less than 1.5% of all venture capital funds. RuralWorks invests in businesses that mitigate climate change, create quality jobs, and strengthen local economies. By providing flexible funding and hands-on support, they help rural businesses build community wealth and resilience from the ground up.

Update: RuralWorks has taken a patient posture to fund deployment in the first half of the year given the macroeconomic volatility, but it has a growing pipeline of rural investment opportunities that span the last-mile logistics, circular economy, and agriculture sectors. View their [inaugural impact report](#) for 2024.

Source: RuralWorks Partners 2024 Impact Report (June 2025)

LEARN MORE

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