



METAFUND
IMPACT INVESTING
Sustainable Social Impact



2021 ANNUAL REPORT



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METAFUND

OUR VISION

A just world free from poverty.

OUR MISSION

MetaFund promotes community, economic, and workforce development through financing and consulting.

POSITIONING STATEMENT

MetaFund achieves sustainable social impact by providing access to diverse sources of capital and strategic advice in order to generate creative solutions that benefit our communities.

A Letter from MetaFund's Founder & CEO Tom Loy

2021 was a breakout year for MetaFund. New activities, new team members, new board members, new funders, and new funds combined to generate greater social impact, greater financial strength, and exciting opportunities.

Although it remains a strongly self-sustaining non-profit, after more than 20 years in business, MetaFund sought and received its first-ever grant in 2021 – a \$1.8 million CDFI Fund Rapid Response Program (CDFI RRP) grant to support increased investing activity in communities disproportionately impacted by the COVID-19 pandemic.

MetaFund's Impact Accelerator also gained significant momentum and activity in 2021 toward its efforts to connect philanthropic funders with impact investing opportunities in mission-driven organizations. The initiative now has six funders with \$8.5 million at the end of 2021 and has become an innovative source of financing for high impact projects.

In 2021 MetaFund completed the deployment of its sixth New Markets Tax Credit (NMTC) allocation and submitted an application for its seventh, bringing its cumulative NMTC allocations to \$279 million dollars. More than anything else that MetaFund does, the NMTC program enables MetaFund to make very sizable investments in historically under-invested communities. Via these programs and others, MetaFund invested tens of millions of dollars in projects that save and/or create living wage jobs, affordable housing, and other direct benefits throughout our community.

In other words, MetaFund is doing much more than ever to improve the lives of people who need help. But not only that, MetaFund is also doing more than ever to provide better work/life balance to the lives of its staff members, including excellent benefits, a 32-hour work week, and a flexible work schedule.

Tom Loy

OUR TEAM



A. Thomas Loy
Chairman & CEO



Blake Trippet
President



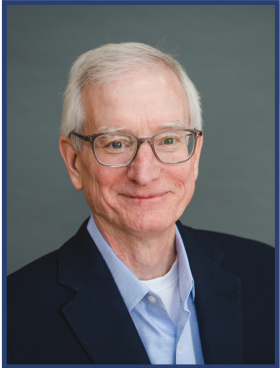
Sarah Reed
Chief Finance and
Operating Officer



Robert F. Dilg
Chief Risk Officer



Ed Long
Chief Impact Officer



In special memory of
Harry Gilbert
1952-2002

Harry joined MetaFund as general counsel in 2016. He was a valued part of the MetaFund team and the Oklahoma community. We miss him greatly, but his memory inspires us to do more.



Maurianna Adams
Chief Community
Investment Officer



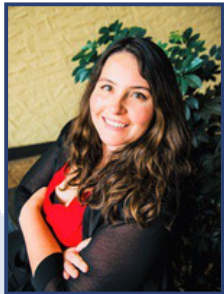
Norma G. Johnson
Operations Manager



Jena Walla
Accounting Manager



Laura Hensley
Compliance Manager



Sharayah Fore
Performance Analytic
and Reporting Manager

BOARD OF DIRECTORS

Tom Loy (chair)	MetaFund
Jill Castilla	Citizens Bank of Edmond
James Finch	First Fidelity Bank
Raul Font	Latino Community Development Agency
Jane Haskin	Retired, formerly First Bethany Bank
Deborah Jenkins	Oklahoma Housing Finance Agency
Charles Lee	MidFirst Bank

ADVISORY BOARD

Tom Loy (chair)	MetaFund
Raul Font	Latino Community Development Agency
Deborah Jenkins	Oklahoma Housing Finance Agency
DesJean Jones	Opportunities Industrialization Center of Oklahoma County, Inc. (OIC)
Jeff Lowe	MidFirst Bank, Arizona
Adam Luck	City Care
Josiah Masingale	Colorado Community Action Association
Beth Patterson	RSVP of Central Oklahoma
Lesli Pintor	Growth Partners Arizona
Nathan Pritchett	Fab Lab Tulsa
Jim Reiff	Nebraska Enterprise Fund
Pat Rooney	The Education and Employment Ministry
George Young	State Senator

WHAT WE DO

MetaFund pioneered impact investing in Oklahoma more than 20 years ago and is a leader in the industry nationally, having provided more than \$400 million in impact investments. We invest capital and provide advice in support of small businesses, nonprofits, and government programs that generate measurable social good alongside a financial return on investment. As a nonprofit, our financial returns are then reinvested into additional projects, allowing us to generate Sustainable Social Impact.

[Click here to watch our explainer video](#)



MetaFund staff annually volunteer for Positive Tomorrows, a school for homeless children, at the holiday carnival.



Ed Long, Chief Impact Officer, meeting with community stakeholders.

SUSTAINABLE

MetaFund is an evergreen fund, so we aren't interested in short-term results or band-aid solutions. The issues we work on are systemic and calcified. They require a healthy dose of eager patience to chip away over time. Our tools, including our capital sources, products, and practices, must be equally durable.

SOCIAL

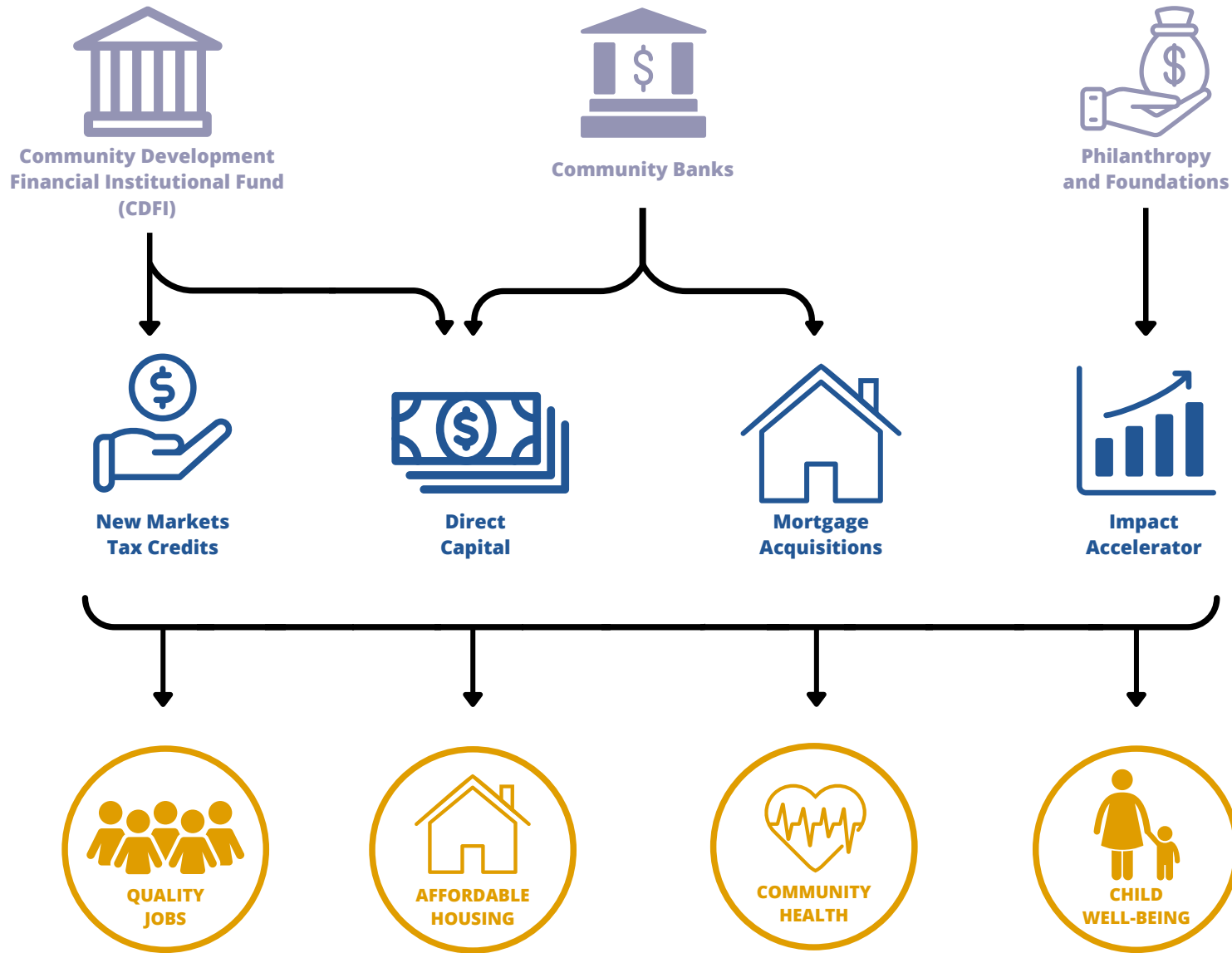
We bring a person-centered approach to our work, focused on community self-reliance, social justice, and participatory decision-making to create economic and human development. We are constantly learning and evolving, embracing diverse perspectives to better understand and attack the social issues we face.

IMPACT

We prioritize impact above all else. We are problem solvers that favor bold solutions that move the needle, and we are willing to embrace complexity and risk when necessary to get results.

METAFUND STRUCTURE

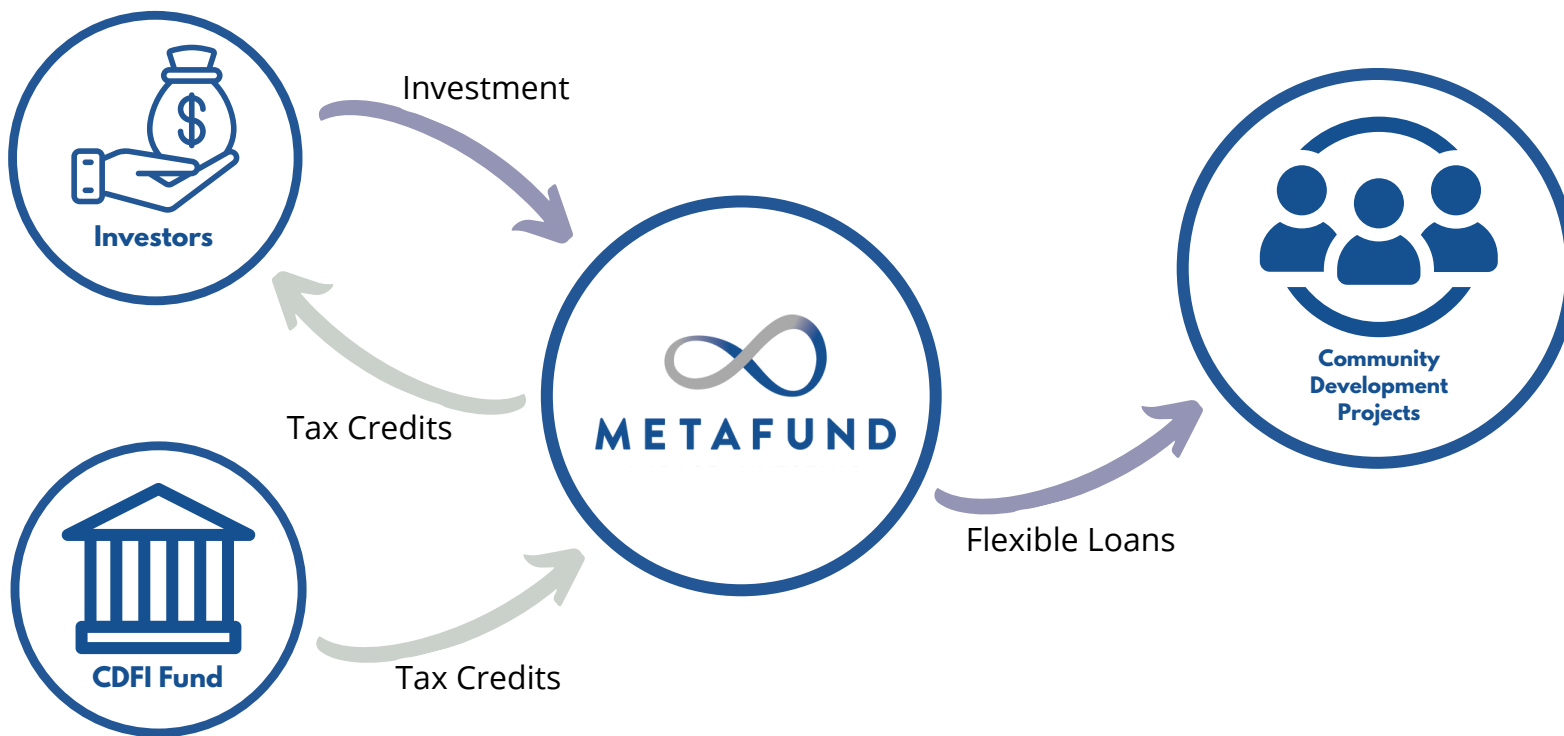
OUR FUNDS
OUR PROGRAMS
OUR IMPACT



NEW MARKETS TAX CREDITS

MetaFund uses the federal **New Markets Tax Credit (NMTC)** to incentivize community development and economic growth in our communities. Since 1999, we have received 6 allocations totaling \$279 million, which we have used to support good jobs, quality healthcare, and effective education programs throughout rural and urban areas of Oklahoma.

*MetaFund has
invested
\$279M
of NMTC allocation
in Oklahoma*



DIRECT CAPITAL

MetaFund's direct lending and investing activities are designed to increase the flow of capital to under-served communities. These typically act as credit enhancements for small businesses, filling equity shortfalls to allow them to access traditional bank debt.

In 2021, MetaFund's direct investing portfolio included

25
INVESTMENTS
totaling
\$2.5M



Flexible Loans



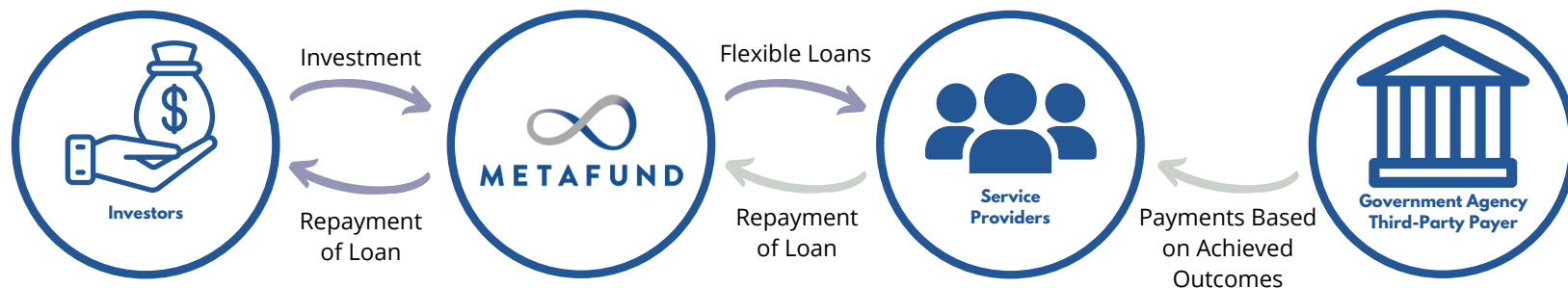
IMPACT ACCELERATOR

Impact Accelerator is a nonprofit intermediary managed by MetaFund that uses philanthropic capital to provide flexible loans and technical assistance to innovative, mission-driven nonprofit and for-profit organizations with the potential to improve outcomes. Launched in 2020, Impact Accelerator has invested over \$3.1 million of flexible financing for 6 mission-driven organizations throughout Oklahoma. Impact Accelerator provides loans to organizations in two ways, the first being direct lending with flexible financing and the second through an innovative model called Pay for Success.

Impact Accelerator raised \$8.55M in philanthropic capital



PAY FOR SUCCESS Pay for Success, also known as Social Impact Bonds, is a public-private model where private investor(s) assume the up front risk of providing service providers with upfront, private funding to implement evidence-based or promising interventions. These interventions are expected to 1) improve outcomes and 2) result in a cost avoidance. If predetermined outcomes are achieved, a government agency or third-party payer repays the investors.



MORTGAGE ACQUISITION

MetaFund has worked with Habitat for Humanity and other nonprofit mortgage originators to develop a secondary market for their mortgage loans. MetaFund acquires mortgages from these originators, giving them the capital they need to continue developing additional affordable housing. To date, MetaFund has acquired 527 mortgages, totaling over \$24.3 million.

MetaFund, in partnership with loan servicers and other community development organizations, works closely with the borrowers through gentle and patient collection processes, one-on-one financial counseling services, and home ownership seminars.

Because of this **MetaFund has a foreclosure rate of less than 1%.**

For 2021, MetaFund's portfolio has

421
ACTIVE MORTGAGES

totaling over

\$16.8M

*from six affiliates
in four states*



CONSULTING

MetaFund provides advisory services to government, philanthropic, and nonprofit clients to improve social outcomes and facilitate innovative models such as Pay for Success. Services include strategic planning, organizational development, public-private partnerships, collective impact, human-centered design, community engagement, and program development.

*MetaFund
has served*

6

CLIENTS

since 2020



CLIENTS

UNITE US Support person-centered coordination of health and social care in Oklahoma.

OKLAHOMA STATE DEPARTMENT OF HEALTH & OKLAHOMA DEPARTMENT OF MENTAL HEALTH AND SUBSTANCE ABUSE SERVICES Develop an Oklahoma Infant and Early Childhood Mental Health framework to improve alignment of cross-sector activities, communication, and collaboration.

OKLAHOMA PUBLIC HEALTH ASSOCIATION Identify strategies for growth, increased capacity, sustainable infrastructure, strengthened positions, and influence in public health in Oklahoma.

BLUECROSS BLUESHIELD OF OKLAHOMA Support in the development of strategies for addressing social drivers of health and ensuring comprehensive supports for improved outcomes. Social drivers of health include economic stability, education, health and healthcare, neighborhood and built environment, and social and community context.

OKLAHOMA EMPLOYMENT AND TRAINING ALLIANCE Collaboration with Oklahoma City Community Foundation (OCCF), Goodwill of Central Oklahoma, Oklahoma State University, and more than 60 public, private, and nonprofit stakeholders to develop a network of employers, jobseekers, educators, and social service providers helping individuals in Central Oklahoma overcome barriers to employment.

AREAS OF FOCUS

MetaFund's activities target four specific outcome areas that contribute to a just world free from poverty.



QUALITY JOBS

MetaFund supports employers who create and sustain low-barrier, living wage jobs with training, benefits, and asset-building opportunities.

AFFORDABLE HOUSING

MetaFund supports developers that create safe, affordable, and high-quality places to live for low-income families that are otherwise cost burdened in traditional, market-rate housing.

COMMUNITY HEALTH

MetaFund supports organizations that improve access to quality physical and behavioral healthcare and address social drivers of health.

CHILD WELL-BEING

MetaFund supports organizations that improve educational, health, and social-emotional development outcomes for children.

OUR 2021 **IMPACT**

4 IMPACT
ACCELERATOR
LOANS

TOTALLING OVER

\$1.8M

TO THE OKLAHOMA
COMMUNITY

OVER

14K

OKLAHOMANS SERVED
THROUGH METAFUND'S
INVESTMENTS

21

FULL-TIME JOBS AND

2 PART-TIME
JOBS CREATED

WITH AN AVERAGE PAY OF

\$20/HR

INVESTED IN
THE CONSTRUCTION
OF A

14K sq. ft.

COMMUNITY FACILITY

OVER 20 YEARS OF **IMPACT**

\$400M

FINANCING
PROVIDED IN
DISTRESSED
AREAS

160

COMMUNITY
DEVELOPMENT
PROJECTS
FINANCED

35K

PEOPLE SERVED
BY COMMUNITY
FACILITIES

\$110M

INVESTED IN
RURAL COMMUNITIES

5,500

QUALITY JOBS
CREATED IN
DISTRESSED AREAS

2K

UNITS OF AFFORDABLE
HOUSING SUPPORTED



\$6M
COMMITMENT

Fab Lab Tulsa is a nonprofit STEM education and workforce development program located in and serving the Kendall Whittier area of Tulsa. Their primary focus is to serve students and workers to create a qualified and engaged workforce. They provide education, community, professional, and business programming that teaches innovation, design-thinking, problem-solving, and change-making. In addition, Fab Lab provides open and equitable community access to advanced manufacturing and digital fabrication tools, equipment, technology, and resources. MetaFund provided an allocation of New Markets Tax Credits to support construction of a new facility.



\$615K
COMMITMENT

ReMerge’s mission includes providing a comprehensive incarceration diversion program designed to assist pregnant women and mothers who face incarceration avoid prison and become productive citizens. The Pay for Success project was used for general working capital to help ReMerge to provide services to more women.

“The Pay for Success model allows the state, private funders, and our nonprofit to join in a public-private partnership that generates long-term cost savings while producing incredibly valuable public benefits” - JENNA MOREY, Executive Director for ReMerge





CEI Ventures

\$187K
COMMITMENT

Coastal Ventures V is a venture capital fund formed to offer investment opportunities in companies located primarily in small cities and rural areas in the Northeast that are committed to providing good jobs for their employees while also generating a positive environmental and social impact. MetaFund entered limited partnership with Coastal Ventures for projects focusing on job creation.



\$897K
COMMITMENT

Community Health Centers of Oklahoma provides medical, dental, behavioral, urgent care, and school-based health services. Their mission is not just to provide healthcare, but to make sure that the care we provide is the best it can be. This Impact Accelerator loan helped fund renovations to their building, allowing them to better serve their customers.



\$633K
COMMITMENT

Lilyfield is focused on building healthy families for at-risk children and youth. Programs serve individuals and families impacted by adoption and foster care, as well as those at risk of involvement with the foster care system. MetaFund's loan allowed Lilyfield to purchase and renovate property for the expansion of their programs in North Tulsa.



[WATCH OUR LILYFIELD VIDEO](#)



\$300K
COMMITMENT

KiZE's mission is to change lives for the better through food, service, and charity. KiZE employs primarily "second chance" members of our community and is committed to transforming their lives and creating generational change in their families. The Impact Accelerator loan provided working capital for skills-based training to support potential advancement within KiZE, as well as transferable skills necessary for developing a long-term career pathway.



[WATCH OUR KiZE VIDEO](#)

“To me it’s doing the right things, meeting people where they are and helping them rise up personally and professionally. We’re helping people grow in all aspects of life – mentally, physically, financially, emotionally.” - JEFF RAGAN, Founder/CEO of KiZE

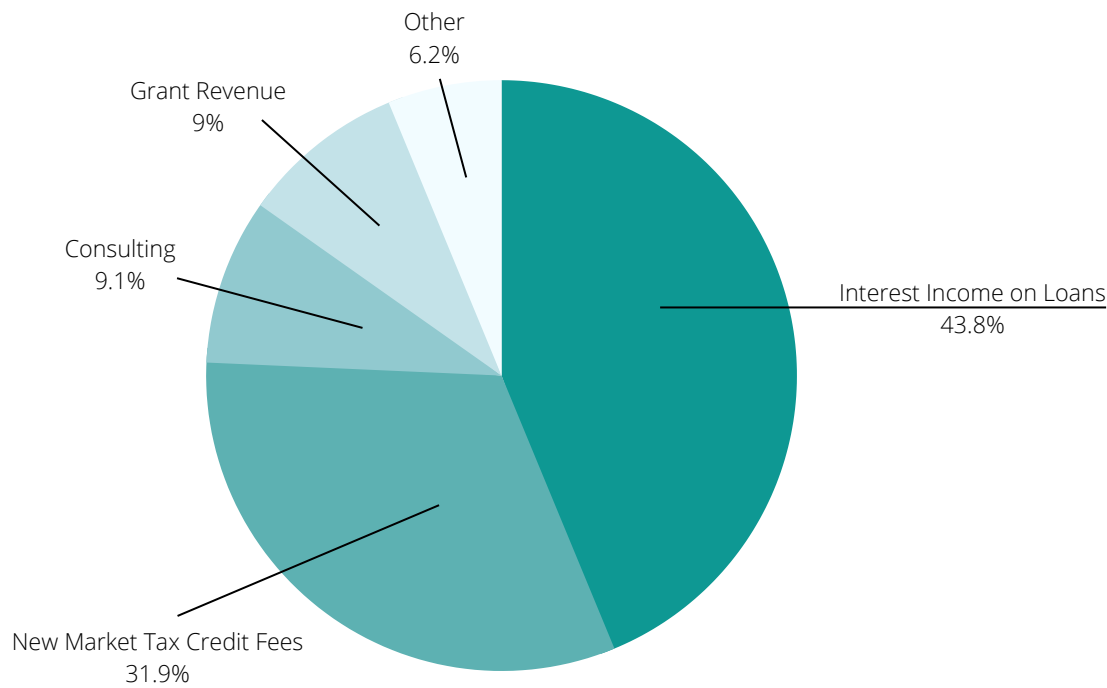


\$730K
COMMITMENT

Intensive Safety Services (ISS) is an evidence-based intervention administered by the Oklahoma Department of Human Services (OKDHS) via contracted service providers where the child is at high risk of being removed from the home due to child abuse and/or neglect. The purpose of the Pay for Success loan is to expand ISS in Garfield, Cleveland, and Comanche Counties (Expansion Counties) to serve additional child welfare cases meeting ISS eligibility guidelines to keep children safe while reducing the number who are placed in foster care.

MetaFund's FINANCIAL HIGHLIGHTS

2021 REVENUE



421 Active Habitat for Humanity or Similar Mortgage Loans from 6 Different Entities

24 Community Member Banks Providing Capital

14 Active Equity Investments

11 Active Direct Loans

10 Active NMTC Transactions from 3 Allocation Awards

6 Active Impact Accelerator Loans

MetaFund's

STATEMENT OF FINANCIAL POSITION AND ACTIVITIES

ASSETS & LIABILITIES

ASSETS

Cash and Cash Equivalents	\$	8,631,821
Certificates of Deposit		800,000
Accrued Interest and Accounts Receivable		289,264
Federal Home Loan Bank Stock, at Cost		188,700
Project Investment Loans, Net of Loan Loss Allowance	20,890,855	
Project Equity Investments		462,338
Property and Equipment, Net of Accum. Depreciation	3,338,286	
Other Assets		114,139
Total Assets	\$	34,715,403

LIABILITIES & NET ASSETS

Accounts Payable and Accrued Liabilities	\$	324,010
Notes Payable		5,305,006
Deferred Income		907,299
Long-term Capital Notes (from 24 Community Banks)		15,277,750
Total Liabilities		21,814,065
Net Assets without Restriction		12,901,338
Total Liabilities and Net Assets	\$	34,715,403

REVENUE & EXPENSES

REVENUE

New Markets Tax Credit Fees	\$	1,139,167
Interest Income on Loans		1,560,299
Consulting and Other Management Fees		323,872
Grant Revenue		320,000
Other		222,518
Total Revenue	\$	3,565,856

EXPENSES

Program Activities - Business and Economic Dev.	\$	1,442,936
Program Activities - MetaCorp		282,869
Program Activities - Impact Accelerator		281,897
Subtotal Program Activities		2,007,702
Management and General		428,526
Total Expenses		2,436,228
Change in Net Assets without Restriction	\$	1,129,628

BANK INVESTORS



PHILANTHROPIC INVESTORS



LORI & JEFF
BLUMENTHAL



LOOKING FORWARD

MetaFund entered 2021 with a renewed commitment to our vision of a just world free from poverty.

We are working diligently to further prioritize impact by improving our impact management and measurement practices. We are strengthening our financial management to further ensure our long-term sustainability. Lastly, we are shoring up our operational capacity to better take advantage of opportunities to expand our work with underserved communities. MetaFund has a track record of generating sustainable social impact and is well-positioned to scale its activities over the coming years – investing more capital and support aimed at transforming lives for the better.

While we are excited by this potential, it is now clearer to us than ever that we don't do this work alone. We rely on partners like you to collectively impact these individuals and communities,

supporting small businesses that sustain quality jobs, healthcare centers that improve access to care, healthy food providers that alleviate food insecurity, affordable housing developers that create quality places to live, development programs that improve outcomes for children, and other important community development projects.

We rely on our bank and philanthropic investors to provide the flexible capital we need to do this work and we would love for you to [invest in our impact](#). We rely on our community partners to [share our news](#) with projects in need of our investment and [support our projects](#) to ensure their success. And last but certainly not least, we rely on our [borrowing](#), [mortgage origination](#), and [consulting](#) clients to generate the impact we invest in, and we would love to serve you as our next successful client. Together we can do more.

[Click here to watch our explainer video.](#)





METAFUND

IMPACT INVESTING

