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REED Receives Funding from Starbucks® and Opportunity Finance Network's "Create Jobs for USA" Program

Local CDFI Receives First Round Capital Grant in New Initiative to Spur Job Creation in the US

(Madison, S.D.) – A local community lender today received a \$116,000 capital grant from the "Create Jobs for USA" Fund, a collaboration between Starbucks and Opportunity Finance Network (OFN). The money will help the Rural Electric Economic Development (REED) Fund to create and sustain jobs in eastern South Dakota and parts of southwestern Minnesota as part of a national campaign to support small, community businesses.

REED Fund is one of just 28 Community Development Financial Institutions (CDFIs), in the nation to win a grant in the inaugural funding round. The grant was made possible by a \$5 million seed contribution from the Starbucks Foundation. The Fund expects to raise tens of millions of dollars more, according to a spokesman, and one hundred percent of these donations will go to CDFIs to finance underserved community businesses, and help create and sustain jobs in underserved communities

Starting Nov. 1, 2011, the "Create Jobs for USA" Fund is collecting donations at www.CreateJobsforUSA.org and at nearly 7,000 company-operated Starbucks across the country. 100 percent of the donations will support organizations like REED lending for job creation and retention across the US. CDFIs that are Members of Opportunity Finance Network (OFN) will compete for these funds on a rolling basis.

"Create Jobs for USA" is making it possible for Americans who have \$5 to share help people who don't have \$5 to spare by creating and retaining jobs in their communities," explained Mark Pinsky, President and CEO of OFN. "REED Fund received this grant because it has demonstrated that it will provide financing that is good for community businesses and good for communities."

"We're pleased that Starbucks recognizes the important work that CDFIs are doing, and honored that the "Create Jobs for USA" Fund has made a first-round grant to us," said Linda Salmonson, Economic Development Manager with Madison, S.D.-based East River Electric Power Cooperative and REED. "Create Jobs for USA is unprecedented for the CDFI industry. It is shining a national spotlight on our work and will help REED to create and sustain jobs in the region."

CDFIs provide financing to community businesses in underserved markets where would-be community business owners may not qualify for credit from traditional lending institutions. Community businesses include small businesses, microenterprises, nonprofit organizations, commercial real estate developers, and affordable housing developers. All of these community businesses help to create and sustain local jobs.

REED provides financing and leverages private investment to make a difference in eastern South Dakota and parts of southwestern Minnesota. Over the past 16 years REED has invested over 200 businesses and community projects that have, in turn, helped retain over 6,400 jobs in the region.

For more information about REED, please contact your local electric cooperative or call 605.256.4536 and ask to speak with a representative from REED.

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About Opportunity Finance Network

Opportunity Finance Network (OFN) is the national network of Community Development Financial Institutions (CDFIs)—private financial institutions that are 100 percent dedicated to delivering responsible, affordable lending to help low-income, low-wealth, and other disadvantaged people and communities join the economic mainstream. CDFIs in the OFN network serve all 50 states, and OFN Member CDFIs originated more than \$23.2 billion in financing in urban, rural, and Native communities through 2009. More information is available at: www.opportunityfinance.net

About “Create Jobs for USA”

Starbucks and Opportunity Finance Network have joined forces to help create and sustain jobs in communities across the country. *Create Jobs for USA* is a bold initiative to spark new financing to community businesses so they can hire and preserve jobs. Learn more or donate now at: www.createjobsforusa.org