

# Guarantee Case Study

## Founders First Capital Partners



**Date Closed**  
12/18/25

**Fund**  
Community Investment  
Guarantee Pool (CIGP)

**Guarantor(s)**  
17 Foundations & Impact  
Investors

**Sector(s)**  
Small Business

**Guarantee Beneficiary/Lender(s)**  
Founders First Change Catalyst Fund II (Fund II)

**Location**  
National

**Credit Enhancement Amount**  
\$5 million

**Expected Leverage (total community investment/guarantee amount)**  
8x



## Guarantee Use Case

### The Problem

Traditional capital markets have often overlooked promising small businesses, particularly those led by underserved entrepreneurs, limiting their access to growth capital without substantially diluting their ownership and hindering their ability to create wealth and more jobs.

### Proposed Lender Solution

Founders First Capital Partners, which is a woman-of-color-owned investment firm, addresses this investment gap through its Fund II. The fund provides flexible, non-dilutive growth capital — including revenue-based financing (RBF), term loans, and advisory services — to help service-based B2B and B2G businesses break through barriers and realize their full potential.

### The Credit Gap

Founders First used the CIGP guarantee to facilitate capital-raising for its \$50M (target) Fund II by providing targeted credit enhancement for senior and mezzanine investors in the fund.



## Expected Impact

### Direct Impact Metrics

#### Expected Loan Deployment (\$)

**\$40 million of senior and mezzanine investments unlocked**

**\$50 million of RBF and other flexible loans to small businesses**

#### Expected Jobs

**Founders First has helped to create 2,119 FT jobs through its financing and advisory services (as of YE24).**

### Indirect Impact

This guarantee supports systemic change by enabling Founders First to provide suitable growth capital to small business entrepreneurs who have historically been overlooked or not well served by traditional capital providers – enabling these entrepreneurs to generate more wealth and jobs. Fund II is pioneering the use of revenue-based financing to help promising small businesses scale sustainably.

To learn more about credit enhancement funds, email [guarantees@locusimpact.org](mailto:guarantees@locusimpact.org).