

Using DAFs to Make Place-Based Impact Investments



Abundance Capital enables DAF donors to make impact investments in local businesses, helping to fill the funding gap facing early-stage social enterprises by providing the patient capital early-stage entrepreneurs need.

Many small businesses struggle to access capital. Many rely on personal savings or face barriers from traditional lenders and VCs, especially during economic uncertainty. Mission-driven businesses in particular need access to investors who understand and want to support the company's mission with patient capital. Donor-advised funds (DAFs) allow donors to claim immediate tax benefits, but there is no requirement for funds to be granted to charities within a set timeframe. As a result, billions can sit in DAFs for years or even indefinitely, delaying support for nonprofits and limiting the immediate impact on communities in need.

We established Abundance Capital as a 501(c)(3) DAF sponsor whose goal is to transform traditional philanthropy into high-impact investments that create lasting change. By aligning with the United Nations' 17 Sustainable Development Goals (SDGs), Abundance bridges financial gaps, empowers local changemakers, and drives solutions for a more sustainable and equitable world.

Abundance is deploying DAF funds to provide capital to small businesses and social entrepreneurs who otherwise would struggle to access capital. Abundance enables donors to leverage their DAFs toward impact investing, which helps fill the long-standing "pioneer investment gap" for early-stage social enterprises by providing the patient capital early-stage entrepreneurs need.



Abundance Capital Website



Stanford Social Innovation Review, "Using Donor-Advised Funds to Invest in Early-Stage Entrepreneurs"