

Case Study

Fifth Third Bank's Place-based Economic Development Model: The Neighborhood Program

Redefining lending and partnerships by investing in historically disinvested and underserved communities through community-led strategies.

Introduction

Across many historically underserved neighborhoods, long-term underinvestment has limited access to affordable housing, reduced opportunities for small business growth, and constrained families' ability to build financial stability. In response, Fifth Third Bank launched the Neighborhood Program, a place-based initiative designed to promote economic mobility and enhance neighborhood vitality.

Through a powerful collaboration with Enterprise Community Partners and trusted local intermediaries such as LISC, the program mobilizes capital, community partnership, and on-the-ground leadership to revitalize historically disinvested neighborhoods—ensuring that residents guide the transformation.



2026 note: *The “Empowering Neighborhoods to Build Brighter Futures” video profile was filmed in September 2024 and reflects a snapshot of the Fifth Third Neighborhood Program as of that time. The bank’s place-based model is currently led by Susan Thomas, head of Fifth Third’s Community Development Banking Group and president of the Fifth Third Community Development Company.*

The Challenge

Many historically underserved neighborhoods have endured generations of underinvestment stemming from discriminatory housing policies, unequal access to credit, and limited infrastructure funding. These challenges compound over time, leading to:

- Insufficient affordable housing
- Limited access to small business capital
- High displacement pressures
- Weakened community institutions
- Barriers to long-term financial security

Fifth Third Bank recognized that meaningful change required not just more investment—but investment done differently, driven by community priorities and local expertise.

The Approach

Launched in 2021, the Neighborhood Program focuses on nine neighborhoods across multiple states. Fifth Third committed an initial \$180 million and later expanded its financial commitments of lending, investments, and philanthropic support to nearly \$408 million. The program pairs financial capital with community engagement to ensure investment reflects resident priorities.

The success of the Neighborhood program is rooted in a coordinated partnership between Fifth Third Bank, Enterprise Community Partners, and trusted local intermediaries such as LISC Charlotte. Each partner plays a distinct and complementary role to ensure investments are strategic, community-led, and built for long-term impact.



1. Fifth Third Bank

Provides the financial backbone: lending, investment, grants, and long-term presence (including new branches). Provided catalytic capital through lending, grants, and program-related investments (PRIs). Together, they supply both market-rate and mission-driven capital while reinforcing long-term institutional commitment through sustained local presence, including opening new full-service branches in historically underserved neighborhoods.

2. Enterprise Community Partners

Designs the program framework, supports local implementation, and provides national coordination, strategic guidance, and evaluation to ensure consistency and measurable impact across neighborhoods.

3. Local Intermediaries (e.g., LISC Charlotte)

Serve as neighborhood backbone organizations—leading residents' engagement, aligning public and private partners, shaping project pipelines, structuring transactions, and stewarding investments to remain grounded in community priorities.

This partnership model ensures that every investment is community-informed, aims to be equitable, and is built for long-term sustainability.

Key elements of the program design include:

1. Community-Led Planning

Neighborhood strategies were co-created through resident workshops, visioning sessions, and collaborative planning efforts. This approach helped to ground investments in community priorities and cultural identity.

2. Capital Layering

A blend of loans, grants, equity investments, and program-related investments (PRIs) allowed the bank and its partners to finance projects that traditional lending alone could not support.

3. Local Leadership

Organizations like LISC Charlotte played a critical role in driving strategy, coordinating partners, and moving complex projects forward.

4. Long-Term Presence

Fifth Third's commitment includes opening new branches in historically underserved neighborhoods—signaling a deep, ongoing investment in local financial access, education, and trust-building.

The Impact

Across the nine neighborhoods, program milestones include:

- \$409.2 million invested across nine neighborhoods
- 603 affordable multifamily units constructed
- 510 homes preserved
- 154 small business loans
- 1,086 small businesses supported
- 698 community engagement events supported
- 11 commercial developments supported
- 393 vacant parcels activated
- 2 art and streetscape installations improving public space

Fifth Third's total direct investment has exceeded \$409 million and leveraged an additional \$200 million in outside capital—driving a combined \$610 million in community investment across the portfolio.

Notable successes in the Historic West End (Charlotte, North Carolina):

The Historic West End, one of Charlotte's most culturally rich neighborhoods, has faced longstanding affordability challenges, displacement pressures, and commercial underinvestment. Through Fifth Third's partnership with Enterprise and LISC Charlotte, the West End has become a powerful demonstration of community-led revitalization.

- Preserving Affordability Through Housing Investment
 - A \$1.1 million Program-Related Investment (PRI) from the bank's foundation, facilitated in partnership with LISC, supported the acquisition of 4.5 acres for the development of 120 affordable senior housing units.
 - This project both preserves cultural legacy and addresses a critical shortage of affordable senior housing.
- Small Business Support and Corridor Revitalization
 - LISC and Fifth Third worked with local businesses to expand access to capital and provide technical assistance.
 - Business corridor improvements help maintain neighborhood identity while fostering entrepreneurship.



- Improved Financial Access
 - Fifth Third opened a new full-service branch in the West End, bringing banking services directly to residents and signaling long-term commitment.

- Strengthening Community Infrastructure
 - Activation of vacant parcels for public use
 - Expansion of local organizational capacity
 - Community events and programs reinforcing social cohesion

These results illustrate how strategic, long-term investments can create momentum toward equitable economic growth.

Lessons Learned

- 1. Listen first and center community voice**
Design investment strategies around clearly identified community needs and ensure strong resident involvement to drive long-term sustainability and alignment with local values.
- 2. Community-led designs increase sustainability**
Move beyond compliance to embed community impact into long-term growth and relationship-building.
- 3. Local intermediaries are critical**
CDCs, MDIs, CDFIs, and partners like LISC Charlotte accelerate projects, reduce friction, and strengthen accountability.
- 4. Layer flexible capital to expand what's possible**
Combining grants, loans, and PRIs unlocks complex projects that might otherwise stall; flexibility fuels impact.
- 5. Physical presence builds trust**
New branches and ongoing engagement foster deeper relationships between the bank and the community.

Looking Ahead

Fifth Third and Enterprise Community Partners are using insights from the initial nine neighborhoods to shape future phases of the Neighborhood program, including an expansion to small cities and small towns. This place-based model is emerging as a blueprint for how banks can support equitable, community-driven transformation.



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Call to Action

Inspired by how Fifth Third Bank is advancing place-based, community-centered investment? Here are two ways to take the next step:

- **Connect with our team** at [Beneficial State Foundation](#) to explore how these strategies could take shape at your institution.
 - **Explore the [Equitable Bank Standards](#)** for actionable guidance—starting with the practices highlighted in this case study: social impact lending (03.A.01–03, 03.A.10–11, 04.A.11, 04.B.10) and community engagement & co-design (01.A.12–14).
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Connect with Beneficial State Foundation

Learn more about how financial institutions can drive inclusive, community-led growth through place-based investing: beneficialstate.org