



Building the Capital Market for Community Broadband



A market-based approach to close the digital divide

Tens of millions of Americans live without broadband internet, excluded from the digital economy.

To bridge the divide, we need a financial ecosystem that invests in the community-centric internet service providers (ISPs) that are providing quality, affordable service where traditional operators won't.

- **120 million people in the US** still lack reliable, consistent broadband access. Rural, low-income, and communities of color are disproportionately affected.
- Traditional capital markets and ISPs **prioritize high-profit areas**, leaving low-income communities behind.
- Public subsidies designed to close the divide typically **favor large incumbents** over community-centric ISPs that are best equipped to deliver solutions for underserved communities.



“High-speed internet is no longer a “want to have”. It is essential for telehealth appointments, online banking, remote work, schoolwork, and more. Unfortunately, access to broadband has been slow to reach many communities, especially in rural areas.

John C. Williams, President, Federal Reserve Bank of New York

The need for a dedicated capital market

In the US there are over 3,000 small and medium-sized ISPs that work locally to connect their communities.

A growing sector of community-owned and non-profit networks are effectively expanding broadband to unconnected areas. **These ISPs are key to closing the gap, but face significant barriers to financing:**

- Private equity **demands extractive returns**, pricing out underserved communities.
- Public funding focuses on initial access but **leaves gaps for ongoing maintenance** and upgrades.
- Community finance lenders are **new to broadband**, which requires new underwriting models.

A community-centric financial ecosystem that channels sustainable, patient capital to small and locally-owned providers **is needed to accelerate progress** to close the digital divide.

“It's 2025 and we still have people paying \$150 a month for dial up. It is absolutely possible to connect ‘hard-to-serve’ communities if we get the right financing to the right providers.

Brian Vo, Connect Humanity



Broadband: A strong investment

While traditional lenders are often hesitant to back community broadband because they perceive it as a high-risk investment, the reality is:

- Broadband offers **utility-like cashflows with predictable returns**, while demand for data [continues to soar](#).
- Community providers consistently [outperform traditional ISPs](#), with higher subscription rates, more affordable pricing, and stronger community buy-in.
- Connect Humanity's pilot fund, tracking a 12% IRR, has shown it is possible to invest in community broadband while **generating reasonable returns**.

“Investing in community broadband isn't just smart economics — it's a powerful step toward opportunity, growth, and dignity for communities that have been underinvested for decades.

Clara Miller, Founder of Nonprofit Finance Fund



Unlocking Finance for Community Broadband

To close the digital divide at scale, we need a capital market tailored for community broadband—similar to successful models in affordable housing and renewable energy. **CDFIs, impact investors, bank CRA, and institutional players** have pivotal roles in this ecosystem. **Philanthropy is key** to catalyzing this market, providing seeds that will grow into an ecosystem that brings in other public, private & social capital partners.

How We Get There

Connect Humanity is collaborating with the Federal Reserve Bank of New York and leading foundations to kick-start this ecosystem. Together we are:

- **Refining financial mechanisms** to power sustainable broadband investments.
- **Building partnerships** with mission-aligned funders to capitalize the effort.
- **Supporting the ISPs and communities** at the heart of these projects.

Together, we can create a future where no community is left offline—where the digital divide is closed with sustainable, mission-driven investments.

This ecosystem we create will lead to multi-generational impact.

Join Us

We're fundraising to lay the foundation for this capital market. Your support will:

- **Catalyze a financial ecosystem** that centers the digital needs of underserved communities.
- **Expand broadband as a foundation** for equity and opportunity.
- **Prove that mission-aligned investments can** achieve social and financial returns.

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