Falfurrias Management Partners Makes Growth Investment in Neighborly Software

CHARLOTTE, NORTH CAROLINA and ATLANTA, GEORGIA (October 15, 2024) – Neighborly Software (the "Company"), a leading provider of an end-to-end SaaS platform that manages the enrollment, administration, and reporting of government funded programs, announced a significant growth investment from Falfurrias Management Partners ("Falfurrias"), a Charlotte-based investment firm focused on growth-oriented, middle-market businesses. This investment will accelerate Neighborly Software's continued growth by enabling further investments in the existing platform, new technology, enhanced products, geographic expansion, and sales & marketing.

Since 2016, Neighborly Software has served over 400 customers, including city / municipal governments, state governments, housing authorities, and non-profit organizations. The Company's platform was purpose built by industry experts and is mission-critical to the complex workflows involved in managing government funded programs, particularly Housing, Economic, Community Development, Disaster Recovery/Mitigation, Home Energy Rebate Programs, and Housing Choice Voucher programs. The Company's platform consists of a broad range of modules that provide a full-stack solution, covering grant/application management, case management, loan administration, construction, asset monitoring, and reporting, among other capabilities. Neighborly Software has evolved over time to continue to adapt to its customers' needs and has developed long-term relationships by creating a product that serves as the backbone for ensuring compliance, efficiency, and effectiveness with government funded programs. To date, the platform has managed the disbursement of approximately $13 billion in grants, 7.2 million applications, and 1,500 unique projects.

Co-Founder and President, Jason Rusnak, and Co-Founder and COO, Chris Behm, will continue to lead the company. "Neighborly Software is revolutionizing the funding landscape with its modern approach to government funded program management," said Rusnak. "We're excited about this next stage of growth and the opportunities it presents to provide more value to our existing customers, support more government-funded programs, and invest further in product development, ensuring that Neighborly Software makes an even greater impact on communities" said Behm. Rusnak and Behm remain substantial owners of the business.

"We identified Neighborly Software through our Industry First research, which validated the long-term growth trends in the municipal technology sector, as well as Neighborly Software's innovative approach in the market," said Michael Clifton and Amy Brandt, Partners at Falfurrias. "With our resources and operational expertise combined with their domain knowledge, passion for helping communities, and differentiated solutions, we are excited to support Neighborly Software in this next phase of growth." David Evans, an Industry First executive with Falfurrias, will serve as Neighborly Software's Chairman, bringing over 20 years of experience leading and growing software businesses.

Equity for this investment comes from Falfurrias Growth Partners I, a growth fund strategy launched by Falfurrias in 2023, and builds on the firm's experience in software and municipal technology.

Morris, Manning & Martin, LLP and Dearth Law, LLC provided legal counsel to Neighborly Software and Software Equity Group (SEG) served as the exclusive advisor to Neighborly Software. Holland & Knight LLP served as legal advisors to Falfurrias.

About Neighborly Software
Founded in 2016, Neighborly Software is a cloud-based technology platform for the administration and disbursement of governments funds for programs such as Housing, Economic, Community Development, Disaster Recovery/Mitigation, Home Energy Rebate, and Housing Choice Voucher. Neighborly Software's mission statement is "Helping Communities, Help People," which reflects the Company's goal of helping communities make a lasting difference in the lives of low-income families and vulnerable populations. The Company serves 400+ customers including city / municipal governments, state governments, housing authorities, and non-profit organizations. The platform has managed the disbursement of $12.8B+ in grants, 7.2M+ applications, and 1,500+ unique projects. For more information, visit neighborlysoftware.com.

About Falfurrias Growth Partners
Falfurrias Growth Partners is an operationally focused middle-market investment fund focused on investing in high-growth companies in the software and business services sectors. The team is comprised of investors and proven operators, as well as in-house resources across strategy & market insights, finance / integration, human capital, and technology. The new fund strategy was launched in 2023 and is led by Cam Dyer, Partner and Chairman of Falfurrias Growth Partners I's investment committee. The fund is managed by Falfurrias Management Partners, a Charlotte-based investment firm founded in 2006 by Hugh McColl Jr., former chairman and CEO of Bank of America; Marc Oken, former CFO of Bank of America; and Managing Partner Ed McMahan. The firm has raised $2.2 billion across six funds and invests in growing, middle-market businesses in sectors where the firm's operational resources, relationships, and sector expertise can be employed to complement portfolio company executive teams in support of growth objectives. For more information, visit www.falfurrias.com.

Media Contacts

Steven Hirsch
Hirsch Leatherwood
steve@hirschleatherwood.com