



ACCION San Diego

A non-profit small business lender

www.accionsandiego.org

The mission of ACCION San Diego is to provide economic opportunity for low-to-moderate income level small business owners who lack access to traditional sources of credit. Through business loans and support services, we strengthen the roots of emerging entrepreneurs and help them to thrive in their communities enabling them to create social and economic change.

MISSION

WHERE DOES ACCION GET ITS MONEY?

- Private donations
- Grants from foundations
- Grants or low interest loans from banks
- City and government funding

SERVICES WE PROVIDE

- Term loans from \$300 up to \$35,000
- Build or re-build positive credit history
- Technical assistance and educational seminars
- Referrals to other business services
- Help transition clients to banks
- Publicity/Networking opportunities

- We help small businesses in San Diego County that do not meet traditional lending criteria
- We assist clients with limited to no credit history and those with *past* credit challenges but who are *current* with their credit when they apply
- We work with start-up operations and established businesses
- We work with all industries including those considered high-risk (i.e. restaurants, construction, retail)

WHO WE HELP

ACTIVITY

- ACCION San Diego has:
 - 300 active clients
 - \$11,600 average loan size
 - Since 1994:
 - Disbursed over \$16 million
 - 2,800 loans
 - 1,700 clients funded



- Must be 18 years of age
- Business must be a legal activity
- Must live/work in San Diego County
- Must be current with credit
 - No bankruptcy in the past year
 - No *unpaid* tax liens, collections, judgments, etc.
- Must demonstrate capacity to repay
- Good character

ELIGIBILITY REQUIREMENTS

UNDERWRITING CRITERIA

- Credit
 - Must be current; credit score determines loan amount
- Capacity to service debt
 - Global Cash Flow Analysis, not Debt to Income
 - Outside income and business profitability
- Character
 - Experience, Preparedness, Transparency
- Collateral
 - UCC-1 filed on all loans
 - Paid off vehicle
- Co-signer, to strengthen deal (credit, capacity)

TIMELINES and TERMS

- Approval turnaround time:
 - 48 hours for loans \$300-\$2,000
 - 2-3 weeks for loans greater than \$2,000
 - *Upon receipt of complete loan packet*
- Terms range from 12 to 60 months
 - Based on loan amount

HOW MUCH WILL THE LOAN COST?

- Current interest rates: 12% to 18%
 - Based on credit score
 - No prepayment penalties
 - Fully amortized; fixed rate
- Administrative fees : (due at disbursement)
 - Loans \$5,000 or less: \$75 for loans
 - Loans >\$5,000: approximately 6% of loan amount

Next Steps

- Call ACCION with potential referral OR Have the client call us directly
- Client can apply online at www.accionsandiego.org or request a paper application to mail, fax, email or bring to the office



Questions?

ACCIÓN

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