



## Update on SBA's Opportunity Network FY 2014 and FY 2015 YTD

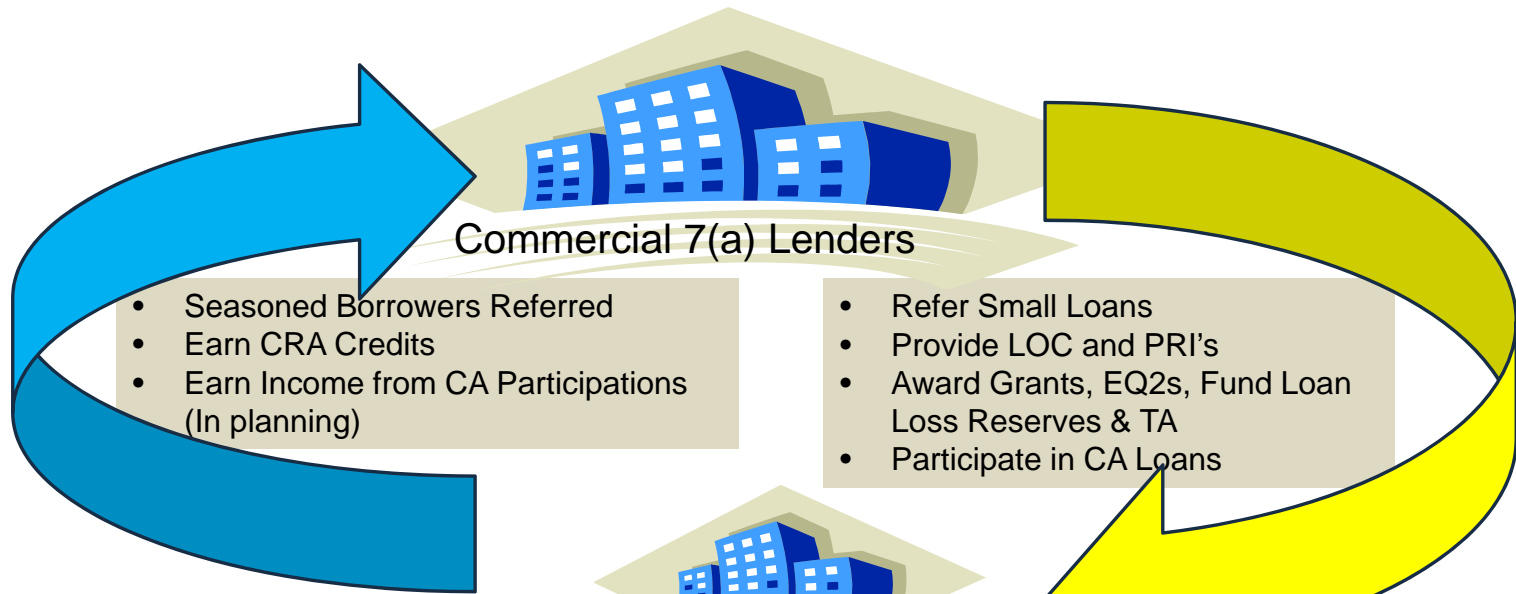
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U.S. Small Business Administration  
Office of Economic Opportunity

OFN Small Business Finance Forum  
July 1, 2015

*Office of Economic Opportunity*  
*"Building Success in Underserved Markets"*

# SBA Opportunity Network Ecosystem



## Commercial 7(a) Lenders

- Seasoned Borrowers Referred
- Earn CRA Credits
- Earn Income from CA Participations (In planning)

- Refer Small Loans
- Provide LOC and PRI's
- Award Grants, EQ2s, Fund Loan Loss Reserves & TA
- Participate in CA Loans



## 504, CA, Micro, ILP, PRIME Mission Lenders

### MISSION LENDER ADVANTAGES

- Time
- Technical Assistance
- Flexibility
- SBA Regulated

Small Businesses



Foundations, Corp. & Private Funders

Office of Economic Opportunity  
"Building Success in Underserved Markets"



# OEO Programs: FY15 Highlights YTD

Of 219 OEO Lenders, **63** Lenders have made at least **10** loans – **an increase of 8%**

Program	Approved Loans		Approved Dollars		Avg Loan Size
	FY15 YTD	FY14	FY15 YTD	FY14	FY15 YTD
Community Advantage Pilot Program	499	453	\$ 63,191,900	\$ 56,473,500	\$ 126,637
Microloan Program	2280	3906	\$ 33,279,853	\$ 55,473,246	\$ 14,596
Intermediary Lending Pilot (ILP) Program	61	102	\$ 4,920,742	\$ 8,792,654	\$ 80,668
Totals	2840	4461	\$ 101,392,495	\$ 120,739,400	

### Community Advantage

- 67 (out of 94) CA Lenders made at least 1 loan in 2015, a **48%** increase in participation from FY14
- Through just June 2015, CA loan volume already shows a **12%** increase over FY14 year end volume

### Microloan Program

- 133 (out of 160) Microlenders made at least 1 microloan in 2015
- Published a Final Rule in June 2015 allowing Intermediaries to make loans to Associates on parole or probation

### ILP

- \$32 million has been deployed to Intermediaries by end of FY14 and \$34 million in loans were made to small businesses since inception (FY11)
- Program no longer has authority to add new program participants or loan additional capital\*

\*Under Congressional Review



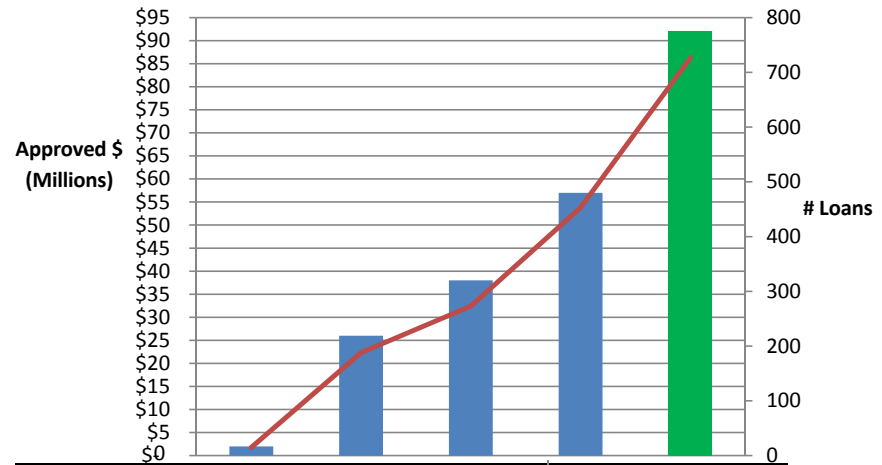
# Community Advantage Program: FY2015 YTD

## HIGHLIGHTS

- ▶ **8 new** lenders approved in FY15
- ▶ **92%** increase in the number of CA loans made in 2015 vs 2014, YTD

SBA Region Performance	# Approved	\$ Approved
9(AZ,CA,GU,HI,NV)	159	\$ 19,609,200
5(IL,IN,MI,MN,OH,WI)	105	\$ 12,706,500
6(AR,LA,NM,OK,TX)	64	\$ 6,595,400
2(NJ,NY,PR)	61	\$ 8,319,900
4(AL,FL,GA,KY,MS,NC,SC,TN)	54	\$ 6,751,100
3(DC,DE,MD,PA,VA,WV)	16	\$ 2,592,500
8(CO,MT,ND,SD,UT,WY)	16	\$ 2,784,100
1(CT,MA,ME,NH,RI,VT)	15	\$ 2,469,000
10(AK,ID,OR,WA)	9	\$ 1,364,200
<b>Total All Regions</b>	<b>499</b>	<b>\$ 63,191,900</b>

## CA Loan Approval Activity



Fiscal Year	FY2011	FY2012	FY2013	FY2014	FY2015 Est.
Approved Dollars	\$2,142,800	\$25,240,900	\$38,199,800	\$56,473,500	\$91,778,250
Number of Loans	15	188	273	453	726

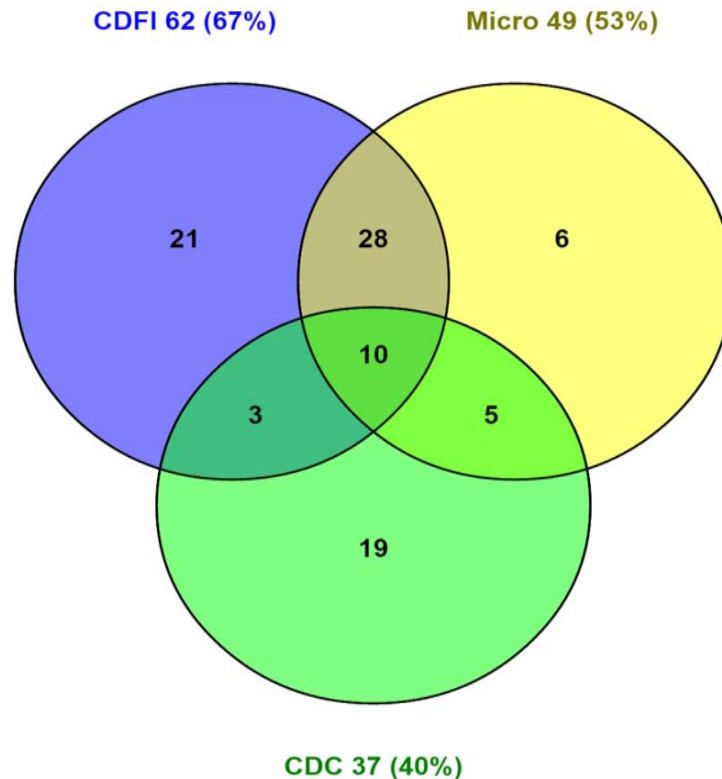
Use of Proceeds, Since inception	\$ Approved	% of Total
Inventory/Working Capital	\$75,424,707	41%
Fixed Asset Purchase	\$64,069,782	35%
Debt Refinance	\$23,231,745	13%
Business Acquisition	\$12,547,224	7%
Other	\$7,290,459	4%



## Community Advantage Program

### WHO ARE APPROVED CA LENDERS?

**FEBRUARY 2011 – MARCH, 5 2015**



#### ❖ 92 CA Lenders approved nationwide

- ❖ 49 SBA Microlenders
- ❖ 37 SBA CDCs
- ❖ 62 Treasury-certified CDFIs
- ❖ 3 CA Lenders with “Nationwide” lending authority
- ❖ 38 Lenders authorized to sell on the Secondary Market
- ❖ 50 CA Lenders are tentatively eligible for delegated lending status, of these 10 have been granted full delegated status

#### ❖ 1,338 CA Loans approved for \$174 million

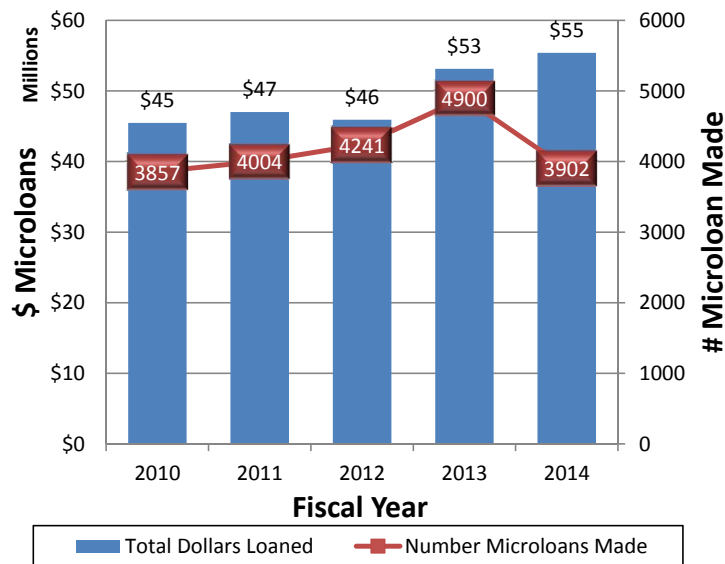
- ❖ 82% of loans in urban areas
- ❖ 18% of loans in rural areas
- ❖ Average loan size = \$129,945 (and falling!!!)
- ❖ Top Use of Proceeds = Inventory/Working Capital (41%)



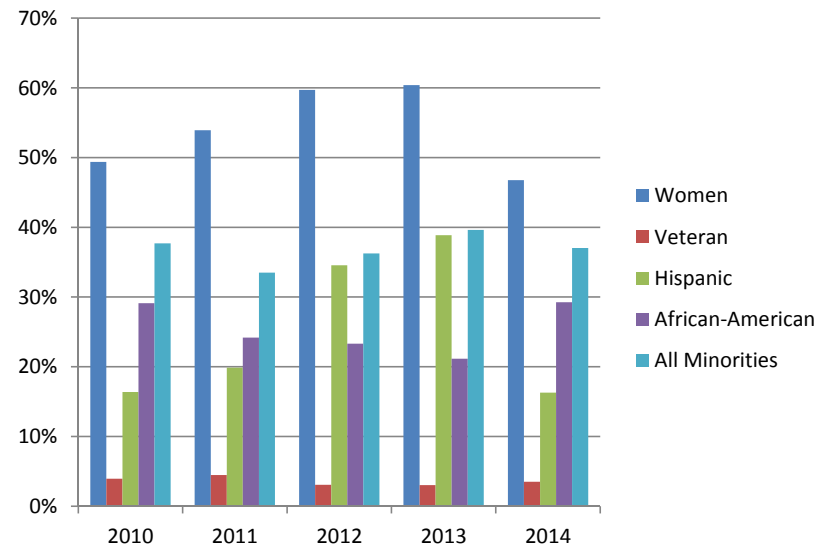
# Microloan Program

- ❖ FY14 continued the upward trend in lending activity, culminating in a record-breaking year, despite losing the program’s highest volume lender
- ❖ Since inception, Intermediaries loaned **\$697.5 million, to 57,507 small businesses**; creating or retaining more than **203,174 jobs**

Microloan Activity: Loan Dollars vs Loan Volume



Annual Microloan Demographics





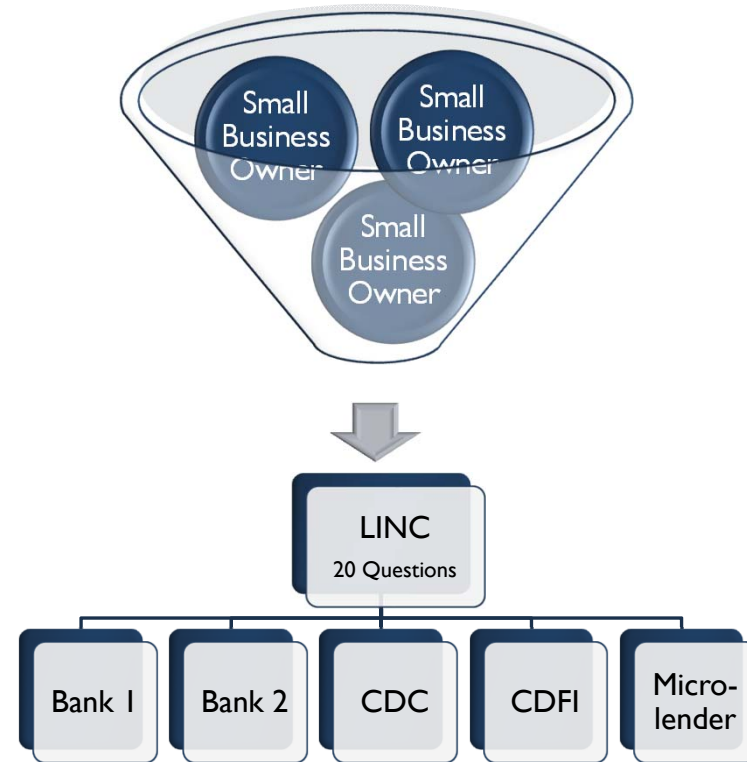
# LINC (Leveraging Information & Networks to access Capital)

The borrower enters basic business information into SBA's online LINC tool...



**LINC + Credit Scoring\* + SBA One = GAME CHANGER**  
 \*(CA enjoys 20pt. lower threshold than 7(a))

...That information is passed through to SBA lenders

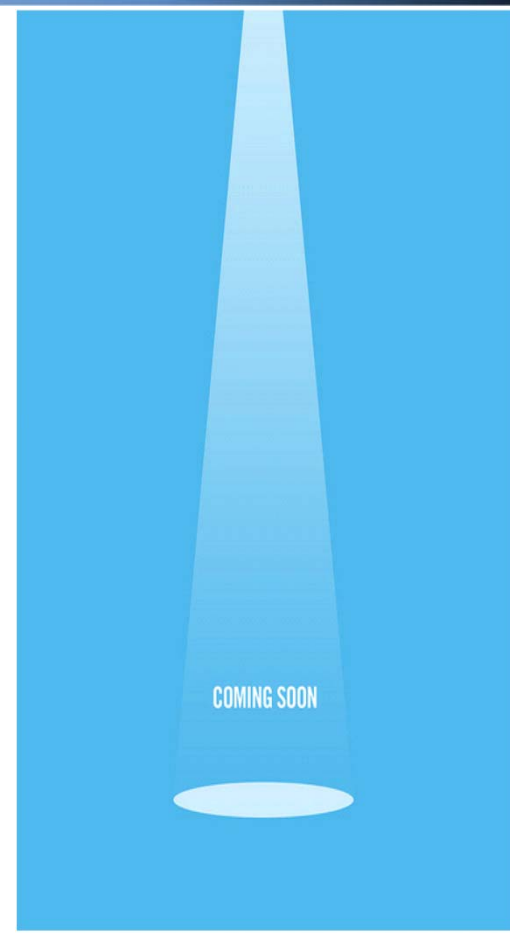




## Looking Ahead: FY 2015

- PRIME
- SBA One
- Participant Guide 4.0
- LINC v 2.0 and beyond
- Raskind Mission Lender of the Year Award

**Make a Difference in Your Community!!!  
Join the  
SBA Opportunity Network™**







## Top 25 OEO Lenders by Number of Loans (FY2014)

OEO Lender	State	#	\$
1 Justine Petersen Housing & Reinvestment Corporation - (Micro)	MO	390	\$2,641,821
2 Oregon Association of Minority Entrepreneurs Credit Corporation - (Micro)	OR	282	\$2,571,332
3 Business Center for New Americans - (Micro)	NY	214	\$933,100
4 Economic and Community Development Institute - (Micro)	OH	183	\$1,870,020
5 Valley Economic Development Center - (CA, Micro)	CA	120	\$6,768,069
6 Finanta - (Micro)	PA	112	\$659,300
7 Grameen America, Inc. - (Micro)	NY	110	\$460,500
8 Colorado Enterprise Fund - (CA, Micro)	CO	104	\$1,062,030
9 LiftFund (f/k/a ACCION Texas, Inc.) - (CA - Micro)	TX	101	\$2,479,013
10 Community Ventures Corporation - (Micro)	KY	85	\$526,679
11 Accion East dba ACCION USA, Inc. - (Micro)	NY	83	\$908,405
12 Wisconsin Women's Business Initiative Corporation - (CA, Micro)	WI	78	\$2,268,656
13 Cooperative Business Assistance Corporation - (Micro)	NJ	72	\$1,234,418
14 Rural Enterprise Assistance Project-Center for Rural Affairs - (Micro)	NE	64	\$753,300
15 Northeast Entrepreneur Fund, Inc. - (Micro)	MN	63	\$565,500
16 Union County Economic Development Corporation - (CA, Micro)	NJ	62	\$2,490,000
17 BOC Capital Corporation - (Micro)	NY	61	\$375,012
18 CDC Small Business Finance Corp. - (CA, Micro)	CA	61	\$5,890,687
19 ECDC Enterprise Development Group (Micro)	VA	61	\$742,996
20 PeopleFund - (CA, Micro)	TX	60	\$2,583,133
21 Empire State Certified Develop (CA)	NY	59	\$7,891,900
22 OBDC Small Business Finance - (CA, Micro)	CA	56	\$5,646,455
23 Renaissance Economic Development Corporation - (Micro)	NY	50	\$1,240,750
24 Flagship Enterprise Center, Inc. - (Micro)	IN	49	\$810,050
25 Pacific Asian Consortium In Employment - (CA, Micro)	CA	45	\$774,000

CA – Community Advantage      Micro - Microloan



## Top 25 OEO Lenders by Dollars of Loans (FY2014)

OEO Lender	State	\$	#
1 Empire State Certified Development Corporation - (CA)	NY	\$ 7,891,900	59
2 Valley Economic Development Center - (CA, Micro)	CA	\$ 6,768,069	120
3 CDC Small Business Finance - (CA, Micro)	CA	\$ 5,890,687	61
4 OBDC Small Business Finance - (CA, Micro)	CA	\$ 5,646,455	56
5 Regional Business Assistance Corp - (CA)	NJ	\$ 3,807,500	28
6 Justine Petersen Housing & Reinvestment - (Micro)	MO	\$ 2,641,821	390
7 PeopleFund - (CA, Micro)	TX	\$ 2,583,133	60
8 Oregon Association of Minority Entrepreneurs Credit Corp. - (Micro)	OR	\$ 2,571,332	282
9 Union County Economic Development Corporation - (CA - Micro)	NJ	\$ 2,490,000	62
10 LiftFund (f/k/a ACCION Texas, Inc). - (CA, Micro)	TX	\$ 2,479,013	101
11 Wisconsin Women's Business Initiative Corporation - (CA, Micro)	WI	\$ 2,268,656	78
12 Eastern Maine Development Corporation - (CA)	ME	\$ 2,146,500	13
13 Growth Capital Corporation - (CA)	OH	\$ 1,897,700	20
14 Economic and Community Development Institute - (Micro)	OH	\$ 1,870,020	183
15 Northern Economic Initiative Corporation - (CA, Micro)	MN	\$ 1,807,451	30
16 Black Business Investment Fund of Central Florida, Inc. - (CA, Micro)	FL	\$ 1,556,481	14
17 Kentucky Highlands Investment Corporation - (CA, Micro)	KY	\$ 1,324,906	32
18 Mountain West Small Business F - (CA)	UT	\$ 1,317,600	9
19 Renaissance Economic Development Corporation - (Micro)	NY	\$ 1,240,750	50
20 Cooperative Business Assistance Corporation - (Micro)	NJ	\$ 1,234,417	72
21 Washington County Council on Economic Development - (CA, Micro)	DC	\$ 1,213,376	8
22 Montana Community Development - (Micro)	MT	\$ 1,180,274	15
23 Finance Fund Capital Corporation - (CA)	OH	\$ 1,130,000	6
24 Business Development Finance - (CA)	AZ	\$ 1,079,000	7
25 Colorado Enterprise - (CA, Micro)	CO	\$ 1,062,030	104

CA – Community Advantage

Micro - Microloan

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