



ACCION AND OPPORTUNITY FUND LAUNCH STUDY ANALYZING IMPACT OF MICROLOANS ON U.S. SMALL BUSINESSES

Will be the first national, longitudinal, qualitative study to focus on microfinance and economic well-being outcomes

NEW YORK, January 27, 2016 – Accion and Opportunity Fund, two of the nation’s leading microlenders, have launched a first-of-its-kind study to discover just how large of an impact a microloan (on average, \$10,000) has on small businesses across America. Microlending in the United States is not new; however, this will be the first national, longitudinal, qualitative study that focuses on economic well-being outcomes for individuals and their households, small businesses, and underserved communities in the U.S.

Leadership funding for this evaluation study has been provided by the W.K. Kellogg Foundation, with significant additional grant funding from JPMorgan Chase & Co.

“Increasing a family’s financial stability is critical for the optimal development of children,” says Loren S. Harris, director of family economic security at the W.K. Kellogg Foundation. “Assuring parents have access to capital to become small business owners is a crucial step toward economic security. We look forward to learning more from this study about the role of small business microloans to support America’s entrepreneurial families.”

“Microlenders help bridge the gap for small businesses that do not have access to traditional financing, and provide resources, training and many other tools to bolster their success,” said Janis Bowdler, Head of Community Development and Small Business Initiatives, JPMorgan Chase Foundation. “JPMorgan Chase is pleased to support this valuable study, spearheaded by two leaders in the field, and eager to continue helping microlenders expand opportunity and inclusive growth across the country.”

Over the next 2 ½ years, independently-commissioned evaluation partner Harder + Company Community Research will conduct borrower surveys, in-depth interviews, and focus groups with small business owners in Boston, Chicago, Greater Los Angeles, New Mexico, New York, Miami, San Diego, and the San Francisco Bay Area to create a comprehensive, national dataset. The study will assess change at three levels of analysis - individual borrower, the business, and community – after the receipt of a microloan.

“With a twenty-one year old history of vibrant lending in communities across the nation, Accion has an interest and a duty to study the impact of our work. American households are still struggling to build and rebuild wealth. The role of a microloan can be transformative. We hope to learn how, and in exactly what ways beyond the outcome data we’re already collecting,” said Gina Harman, CEO, Accion, The U.S. Network.

“Opportunity Fund’s core values are dignity, opportunity, and responsibility. As a lender and as stewards of the funds we receive from donors and investors, we are committed to provide responsible financial help to our clients. To ensure the loans we provide meet our goal to improve the economic well-being of low-wealth, under-capitalized entrepreneurs, we are dedicated to making the investments to evaluate, research, and continue to learn,” said Opportunity Fund founder and CEO Eric Weaver.

Baseline data collection will commence in January 2016 and the first interim report should publish in September 2016, followed by an interim and final report in May 2017 and March 2018.

About Accion

Accion is dedicated to developing, nurturing and advancing a network of world-class microfinance organizations for the benefit of creating lasting economic change for small businesses owners and their communities throughout the United States.

The Accion U.S. Network ("the Network") unites four independent CDFIs across the United States - Accion Chicago, Accion East, Accion New Mexico * Arizona * Colorado * Nevada and Accion San Diego- into the largest non-profit microfinance network in the country. In addition to providing loans via lending offices located in twelve U.S. cities, Accion makes loans available to entrepreneurs across 49 states via an online loan application. Historically, the members of the U.S. Network have together provided more than one-third of domestic microfinance loans.

The Network is affiliated with Accion International, a nonprofit organization that has helped to build and support 63 microfinance institutions in 32 countries on four continents since 1961. The Network office, formed in 2011, is dedicated to developing, nurturing and advancing a network of world-class microfinance organizations with the aim of creating lasting economic change throughout the United States. Through programming and partnerships, the Network serves to accelerate scale; foster innovation, collaboration and learning; identify efficiencies; and expand capacity within the U.S. microfinance industry.

About Opportunity Fund

Opportunity Fund believes that small amounts of money and financial advice can help people make permanent and lasting change in their own lives, driving economic mobility and building stronger communities. We say "Yes!" to small business owners, low-income students, and families because entrepreneurship, education, and sound financial habits are proven pathways to greater economic opportunity. Our strategy combines microloans for small business owners and microsavings accounts to help students pay for college and families save for a rainy day. As California's leading microfinance provider, our team has deployed \$115 million and helped more than 12,000 people since 1994. Learn more at www.opportunityfund.org.

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