

Access to Capital

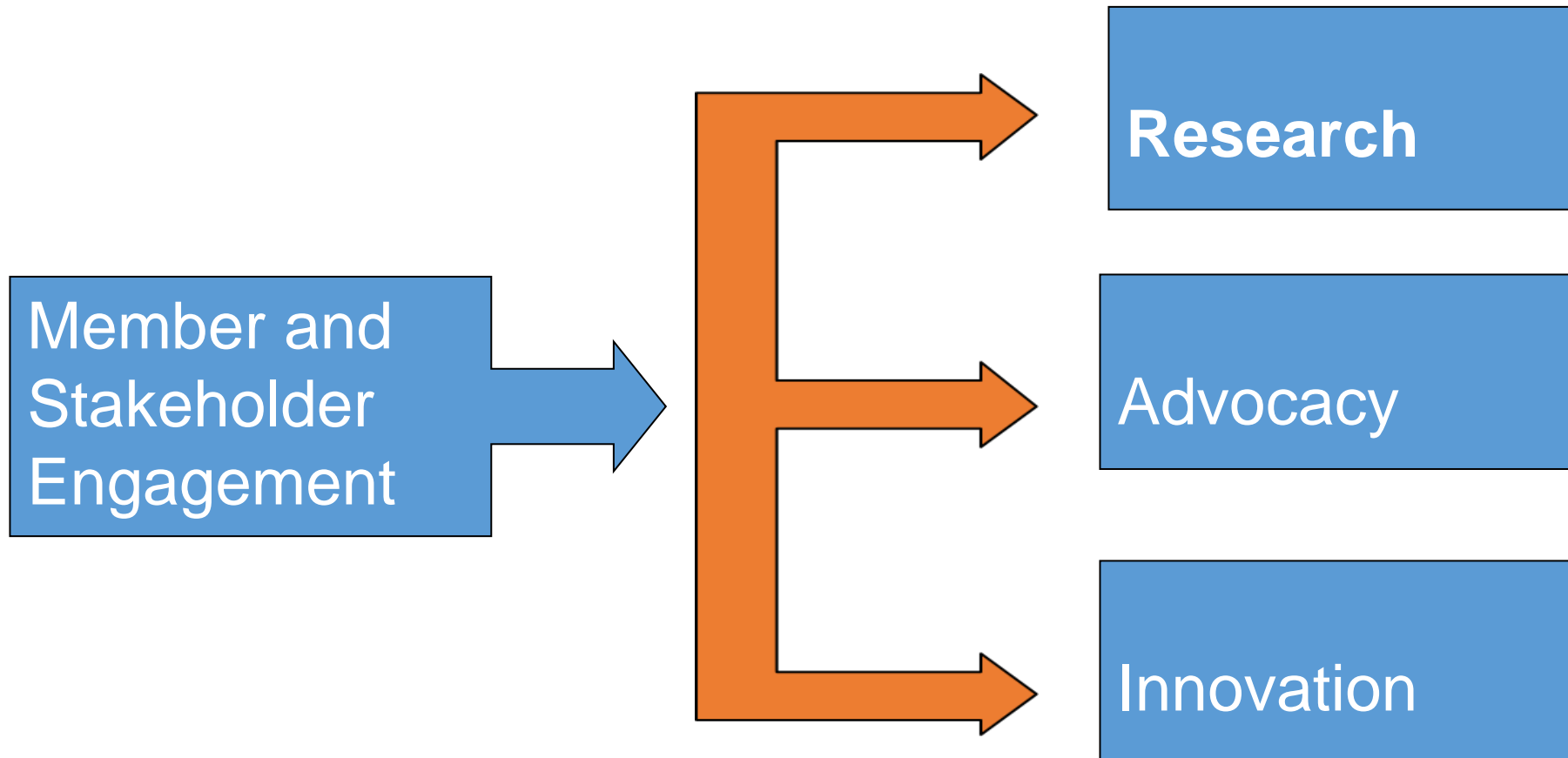
Connie E. Evans, President/CEO

IEDC 2017 Federal Economic Development Forum



AEO *Association for
Enterprise Opportunity*
THE VOICE OF MICROBUSINESS

AEO: What We Do



Problem AEO is Addressing: Credit Gap

(\$52,000,000,000)

8000

small business
loan applications
rejected every
business day

11M⁺

small businesses
generating <\$1M
in low-income
communities

~2.2M

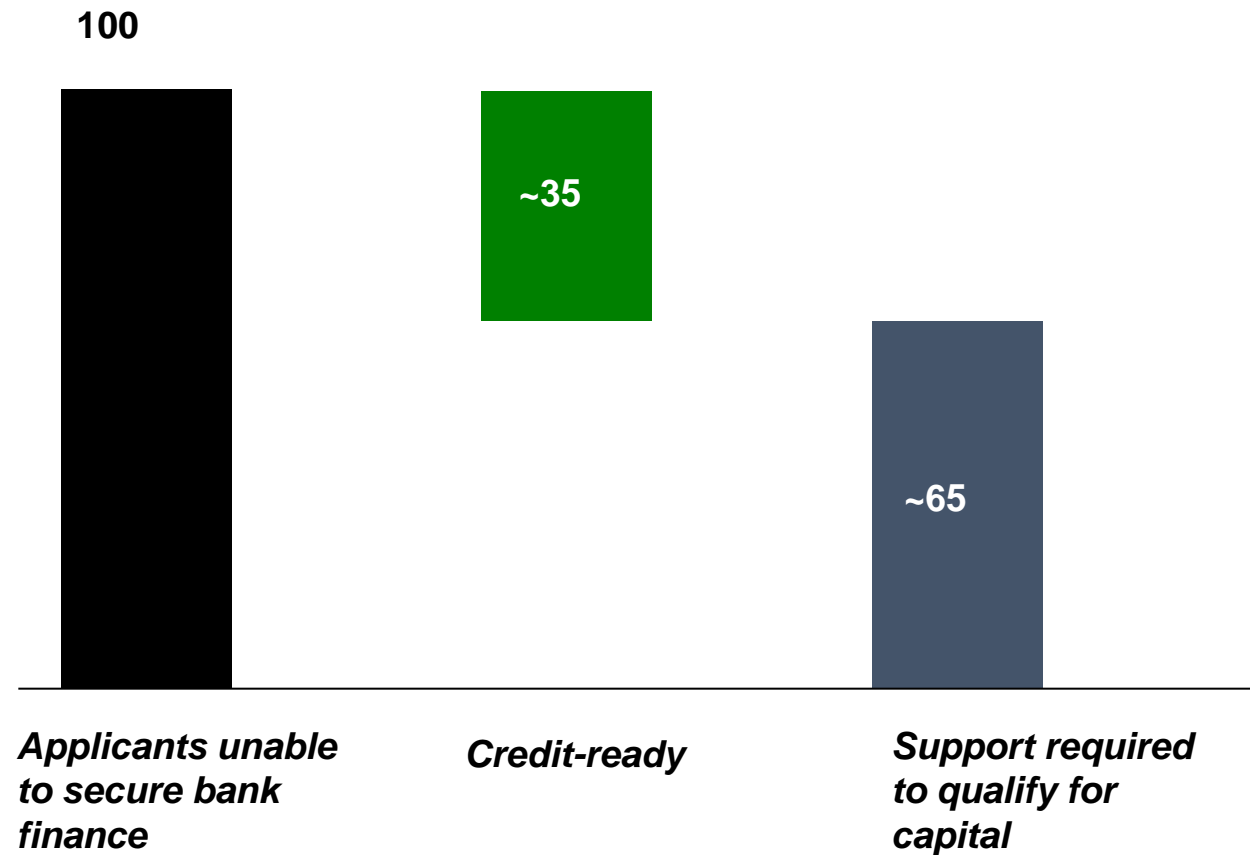
small businesses
in low-income
communities seek
financing per year

~98%

businesses seeking
loans not receiving
financing from
CDFIs



Business Owners Need Support on the Path to Capital



AEO Innovation(s): Changing the Way Capital and Services Flow

Infrastructure

- **Project CUE:** Scalable, compliant customer referral program for financial institutions that serves as a source of qualified customer leads for CDFIs and providers of “path to capital” products/services
- **DreamFund:** Source of expanded product set for CDFIs that also serves as an efficient and effective investment vehicle for CRA & mission-motivated capital

Ideation & Testing

- **Re-Imagine Technical Assistance:** Research initiative and series of product/service pilots to move business owners along a path to capital
- **TILT Forward Network:** Largest and most diverse network of CDFIs and non-profits committed to innovation and testing. Network serves as “skunk-works” and knowledge-sharing network



CDFI Fund Innovation Challenge 2015



CDFI Fund
Innovation Challenge
WINNER 2015



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Project CUE is a “Referral Marketplace”

Connecting Underserved Entrepreneurs

Referral Program
for Banks + Lead Generation
for CDFIs = Increased Capital
for Businesses



*Bank Referral
Partners*

+



*Community
Lenders*



*Small Business
Owners*



Project CUE: Value Proposition

Referrers get...

- Scalable, compliant referral system
- Network of vetted community lenders observing minimum Service Level Agreements
- Referral monitoring & reporting

Receivers get...

- Leads qualified against target profiles
- Warm handoff
- API integration option
- Portal / Reporting
- Referral Partner engagement & “training”
- Portal / Reporting
 - Activity Monitoring
 - Notifications

Business owners get...

- Choices
- Guidance
- Opportunities



Collaborative Multi-Stakeholder Problem-Solving



Bank Commitments to Date



- Commitment to send customer referrals
- Diligence complete
- Legal agreements executed
- Soft launch: March 2017

JPMORGAN CHASE & CO.

- Followed seed money from US Treasury with additional \$1.7M for development of additional functionality & security

- 
- Target: At least 3 banks committed to refer by end of 2017
 - End state vision: Industry shared utility



Business Owner Experience



[About Us](#)

[How It Works](#)

[Partner with Us](#)

Welcome to a new way to credit!

Having trouble funding your business dream? We can help. Our lenders want to know your story, not just your credit score.

Enter your Referral ID to get started

Ex: ABCD1234...

[Next!](#)

[I don't have a Referral ID](#)

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