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CDFI Opportunity Fund Helping Smallest, Most Vulnerable Businesses Get PPP Loans

Opportunity Fund, the nation's leading nonprofit small business lender focusing on minority, women and immigrant-owned businesses, making \$16,000 average PPP loans, helping the smallest businesses weather the COVID-19 crisis

San Jose, Calif., May 20, 2020--Opportunity Fund, a Community Development Financial Institution focused on lending to underserved businesses, has been focused on helping the smallest, most vulnerable businesses get help during the COVID-19 crisis through payment relief, educational resources and Paycheck Protection Program loans. The average PPP loan size has been around \$16,000--much lower than the national average of \$73,000 during the program's second round of funding.

"Loan size is significant because it reflects the size of the business. These are truly small businesses, the mom and pop shops that employ just a few people but that are critical to the livelihood of their owners and employees," said Luz Urrutia, CEO of Opportunity Fund. "These are the businesses that got missed during the first round of the PPP program when banks focused on their larger customers with whom they have long standing relationships. Left behind, Opportunity Fund clients were in danger of going under for good."

While awaiting designation as a PPP lender, Opportunity Fund directed its "tech-comfortable" borrowers to partners including [Community Reinvestment Fund](#), where they could quickly apply online with little assistance. Simultaneously, [CDC Small Business Finance](#) trained Opportunity Fund staff to provide one-on-one assistance to its borrowers for whom applying online was a challenge. Once designated by the Small Business Administration as an approved PPP lender for the second round, CDC Small Business provided access to their platform, allowing Opportunity Fund to accept and process loans itself.



“We focused on customers we knew would doubt their ability to qualify because of the documents required, because they are sole proprietors, or they don’t use a payroll system or have other issues that might keep them from applying despite a dire need for the money,” Urrutia said. “These are the hardest businesses to serve but among the most deserving and inspiring. Our team, with help from other lenders in this space, used phone calls and Zoom to help borrowers get through the application process. We heard that many borrowers had applied with other lenders and how frustrated they were because they couldn’t get a hold of anyone to help them. We are grateful to our partners.”

In turn, Opportunity Fund also helped other organizations, such as Grameen America and Gusto, to provide loans to their small business clients, the vast majority being women and minority owned.

“While we’re deeply grateful to help hundreds of business owners get some relief via PPP loans, the sad reality is there will be millions of business owners who will never see a dime of federal relief,” Urrutia said. “That’s why we launched our Small Business Relief Fund, in partnership with the Silicon Valley Community Foundation. Already we’re seeing that [nearly half of small businesses](#) are having to close and experts are [saying many restaurants may never reopen](#). We have to do everything we can, collectively, to save small businesses. Our communities will never look the same again if we don’t.”

The Fund, which has already raised more than \$13 million, provides struggling small businesses with loan payment relief, access to new funding for a quick injection of affordable capital, and technical assistance to help small businesses with restructuring, financial and tax advice, marketing strategies, legal support, and human resource and layoff aversion support to help them navigate this crisis.

To date, Opportunity Fund has provided loans and/or payment relief to over 3100 businesses totalling nearly \$20 million.

To request an interview with Opportunity Fund CEO Luz Urrutia contact Conan Knoll at (831) 524-6764 or conan@emcstrategies.com.

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About Opportunity Fund



Opportunity Fund, the nation's leading nonprofit small business lender, believes small dollar loans help hard-working entrepreneurs make lasting change in their own lives and build stronger communities by growing businesses and creating jobs. Opportunity Fund's community of donors and investors is creating an inclusive financial system that empowers women, immigrants, and minority small business owners. Our strategy combines microloans for small business owners and New Markets Tax Credit investments in high-impact community infrastructure projects. Since 1994, Opportunity Fund has deployed more than \$900 million and helped thousands of entrepreneurs invest in their families' futures. The organization has committed to lending an additional \$1.2 billion to small business owners across the country and investing \$174 million in community real estate projects by 2023.

About Accion Opportunity Fund

In March, 2020, Opportunity Fund and Accion, The US Network, joined forces to establish [Accion Opportunity Fund](#), the first organization focused on a national microlending strategy to meet the credit needs of small businesses – developing new products, establishing new partnerships, promoting research and financial education, and leveraging digital technologies to support mission-driven lending. www.opportunityfund.org

Opportunity Fund has [earned the highest 4-star rating](#) by Charity Navigator for trust and transparency.