



Investing in the Entrepreneurial Spirit

A year ago, Juan Altamirano was struggling to keep his grocery store in downtown Miami afloat. Eager to supplement his store's income by importing and distributing Central American specialties, Juan turned to a loan shark. But a \$6,000 loan quickly became a hefty \$7,200 debt when Juan factored in over \$100 a day interest.

Fortunately, Juan learned about ACCION USA. He applied for a loan and was shortly approved for \$6,500. The money was exactly what he needed to pay off the loan shark and launch *El Norteño Distributors*, a food import and distribution business. In the following months Juan received a second ACCION USA loan for \$12,000 that he used to stock the grocery and expand *El Norteño Distributors*. With ACCION USA's help Juan was finally able to begin investing in the business of his dreams.

Who We Are

ACCION USA is a non-profit microlender that provides low- and moderate-income entrepreneurs with the capital they need to become self-sufficient business owners. Based in Boston, ACCION USA is a member of the U.S. ACCION Network. Since its first loan in 1991, the U.S. ACCION Network has lent over \$131 million to more than 14,300 clients, helping them to expand their businesses, increase their income, and improve the well being of their families.

ACCION USA has lending offices in Atlanta, Boston, and Miami that provide direct loans to small businesses in the states of Florida, Georgia, Massachusetts, and Rhode Island. Through its proprietary Internet loan product, accessible on its website at www.accionusa.org, ACCION USA now offers loans for small businesses throughout the continental United States. In addition, ACCION USA's licensees provide loans for small business owners in Illinois, New Mexico, New York, San Diego, and Texas.

ACCION USA's loans to microentrepreneurs range in size from \$300 to \$50,000 and in term from 3 months to 60 months. The historical first-time loan size for the U.S. ACCION Network is \$5,023.

ACCION, which includes ACCION INTERNATIONAL and ACCION USA, was awarded one of the 25 Top "Social Capitalists" by *Fast Company/Monitor* in both 2005 and 2004, the inaugural year for the award. In addition, ACCION has been named one of the nation's top 100 charitable institutions by *Worth Magazine*, and President Clinton honored the U.S. ACCION Network in 1997 with one of the first Presidential Awards for Excellence in Micro-Enterprise Development. ACCION USA is a certified CDFI by the US Treasury.

U.S. ACCION Network Lending Statistics

Inception Through June 30, 2005

Loans Disbursed	\$131,859,144
Total Clients	14,314
Total Loans	23,893
Average First-Time Loan Size	\$5,023
Average Loan Size	\$5,519

ACCION USA

As of August 31, 2005

Outstanding Loans (\$)	\$2,221,988
Outstanding Loans (#)	599
Average Loan Size	\$4,829



Supporting the American Dream

Monica Landrum dreamed of owning a beauty salon since she was a child. A fascination with her grandmother’s ability to style hair inspired her to learn the trade at an upscale hairdresser in Boston. But Monica knew that she could better provide for her two sons if she worked for herself.

Monica and Todd Warfield, a co-worker who shared her vision, decided to start their own salon. However, they needed start-up capital and couldn’t qualify for a traditional bank loan. Todd’s cousin told them about ACCION USA, and soon they were granted a small loan that allowed them to rent space and buy equipment. “Together with ACCION USA, we have turned our dreams into reality,” says Monica.

ACCION USA Loan Fund

ACCION USA welcomes supporters to become investors in the ACCION USA Loan Fund. Created in 1994, the ACCION USA Loan Fund is the only socially responsible US fund with a national scope. The Loan Fund provides: 1) direct loans to microentrepreneurs in the ACCION USA lending program, 2) loans to ACCION USA’s licensees in the U.S. ACCION Network to fund their microlending activities, 3) letters of credit to local banks to guarantee lending capital for ACCION USA’s licensees, and 4) capital for new funding mechanisms to assist in ACCION USA’s lending activities. Present investors in the Loan Fund include socially responsible individuals, banks, charitable trusts, foundations, and mutual funds, amongst others.

Loans to the ACCION USA Loan Fund have a minimum size of \$2,000 and a minimum term of 18 months. The interest rates vary based on the size and term of the loan, as illustrated in the grid below:

AUSA Loan Fund Interest Rates	\$2,000-\$25,000	\$25,001-\$50,000	\$50,001-\$100,000	>\$100,000
18 months	0%-1.625%	0%-1.75%	0%-2.0%	0%-2.125%
19 months-3 years	0%-1.875%	0%-2.0%	0%-2.25%	0%-2.5%
over 3 years	0%-2.125%	0%-2.25%	0%-2.5%	0%-2.875%

“Together with ACCION USA, we have turned our dreams into reality”

- Monica Landrum
ACCION USA Client

For more information on the ACCION USA Loan Fund, please contact Lily Leavitt at lleavitt@accion.org or 617-625-7080 x1090.