



NATIONAL
ASSOCIATION FOR
LATINO
COMMUNITY
ASSET
BUILDERS

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NALCAB Awarded Over \$1.5MM from Minority Business Development Agency to Increase Access to Capital for Minority-owned Businesses

Funding will be used to build the capacity and impact of nonprofit lenders

(SAN ANTONIO, TX) – The National Association for Latino Community Asset Builders (NALCAB) was selected to receive \$1,585,000 over a two-year period from the U.S. Department of Commerce’s [Minority Business Development Agency](#) (MBDA). The award will be used to provide grants, training, and technical assistance that strengthen the capacity of nonprofit small business lenders and increase the flow of affordable capital going to underserved Minority Business Enterprises (MBEs) in 24 states, Washington DC, and Puerto Rico. To achieve its goals, NALCAB will leverage its Small Business Loan Guarantee (SBLG) Program, an innovative and flexible new loan product that works to increase the size and frequency of business loans going to MBEs by lowering the overall credit risk of engaged nonprofit lenders.

Additionally, NALCAB has selected a cohort of six established nonprofit lenders to receive funding and specialized technical assistance that will allow them to enhance staff lending expertise, operational efficiency, and IT/software performance. Each of the six organizations will also become certified to access the NALCAB SBLG, providing a market-based solution to community small business lending needs by allowing lenders to take credit risk more confidently, particularly when potential MBE borrowers have limited collateral or when the value of their collateral has been downgraded because of market conditions. NALCAB anticipates dispersing a second round of \$35,000 grants to six additional nonprofits lenders in the second year of the project.

“To expand access, we need to not only open the doors to traditional funding often closed for minority-owned businesses, but also to construct new gateways to non-traditional capital sources,” said Under Secretary of Commerce for Minority Business Development **Donald R. Cravins, Jr.** “NALCAB’s program, funded by MBDA’s Innovative Access to Capital Grant, will do just that, giving nonprofit small business lenders the tools and capacity to be an effective, flexible, and unique source of capital for minority businesses. The Minority Business Development Agency is proud to fund and support NALCAB’s innovative project, continuing our mission forward to creating a strong, equitable business ecosystem.”

“Over its 20-year history, NALCAB has worked to address the challenges faced by MBEs in operating and growing a successful business: MBE's have less access to responsible loan products,

and if they do receive a loan, it comes with comparatively unfavorable terms and pricing,” said **Marla Bilonick**, NALCAB President & CEO. "Latino and other entrepreneurs of color are often shut out of the traditional financial system. Therefore, they must turn to alternative, and often uncouth, financial service providers like check cashers and payday lenders to conduct financial transactions, and often with a hefty price tag that further stifles their economic mobility."

The following six organizations were selected by NALCAB to receive support through the MBDA grant in the first year of the project:

Name	City	State
Dorchester Bay Economic Development Corporation	Boston	MA
Hispanic Economic Development Corporation	Kansas City	MO
Hispanic Interest Coalition of Alabama	Birmingham	AL
La Fuerza Unida CDC	East Norwich	NY
Latino Economic Development Center	Washington	DC
TMC Community Capital	Oakland	CA

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About [NALCAB](#)

The National Association for Latino Community Asset Builders (NALCAB) is the hub of a national network of 200+ member organizations that are anchor institutions in geographically and ethnically diverse Latino communities in 46 states, Washington DC and Puerto Rico. NALCAB supports its member institutions through funding, training, research and advocacy, enabling them to invest in their communities by building affordable housing, ensuring equitable neighborhood development, supporting small business growth, and providing financial counseling on issues including credit building and homeownership. As a grant maker and US Treasury certified CDFI lender with offices in San Antonio and Washington DC, the NALCAB Network serves hundreds of thousands of low- to moderate-income people, advancing economic equity and inclusivity in the communities we serve.