



- ▶ EDG's Quarterly Loan Performance: 1
- ▶ Introducing Women Business Support Program 1
- ▶ EDG's Loan program 1
- ▶ Financial Tips: Budgeting 2
- ▶ Writing a business plan 2

EDG *focus*

QUARTERLY ISSUE
JULY-SEPTEMBER 2020

Introducing Women Support Program

We understand that the hurdles faced by women entrepreneurs are immense as well as complex compared with their male counterparts. Some of these challenges include limited access to funding, balancing business and family life, inadequate support system such as business network, unfavorable business environment, limited business knowledge and information, and gender inequality, among others.

Since its establishment EDG has been striving to support low-to-moderate income individuals in starting or expanding their business. We believe that supporting women owned businesses is not a matter of just providing a financial product to the market; rather it is our social responsibility and a reflection of our core value and mission. Therefore, EDG has adopted a Women Business Support Program (WBSP) to mitigate the lack of capital and business knowledge women entrepreneurs are facing. The purpose of WBSP is to facilitate business loans and knowledge to women applicants by taking into account some of the challenges they face as a woman.

Some of the unique features of WBSP includes:

- No credit score evaluation for refugee women
- No collateral required
- Collections on credit report related with medical bills tolerated
- Few documentation requirements including license and filling Microloan intake form only

EDG's Services

We promote opportunities for self-sufficiency to low and moderate income people through sustainable economic and community development initiatives.

Our Services include:

- Business loans (restaurant, market, transportation...)
- Business training and financial coaching
- Credit builder loans
- Free personal tax filing services
- Car loans

EDG's Quarterly Performance

From April-June, 2020

CORONAVIRUS SAFETY



Follow these easy steps to help prevent the spread of COVID-19.



Type of Loans	No. of Laons	Amount
Trucking loans	8	\$220,000.00
Other business loans	2	\$50,000.00
PPP loans	12	\$122,579.01
Car loan	1	\$6,000.00
Credit builder loans	2	\$1,000.00
Total loans	25	399,579.01

Financial Tips

Budgeting

EDG's Loan Program

Capital for Micro-business

It includes:

- Micro loan up to \$50,000 to be repaid in 3 years
- Step up loan
- Bridge loan

Procedure

- Application form and credit check
- Business plan training, if applicable
- Client submit documents
- Loan officer compile package and present to **Loan Review committee** (3 internal committee members for up to \$25,000 and 2 more external members for up to \$50,000)
- If approved submit closing documents and sign Promissory note
- Check issued

Credit-Builder/Repair

- Bad credit is the major reason for rejecting a loan application
- Loan amount- Up to \$1,000 to build credit

Procedure

- 1 Hr credit builder training
- Application form and credit check
- Loan officer compile package and present to **Finance manager**
- If approved signed Promissory note
- Check issued

We know you're tired of hearing it, and we're tired of saying it, but you **cannot** start building wealth if you have no idea how much money is coming in and how much is going out. You don't have to break it down in such detail that you're budgeting separately for vegetables, fruits and meats when you food shop. That can all go under the category of "Groceries." But you do have to budget your money and track your spending. We all have spending leak, categories we don't realize just how much we're spending on. Going over your budget at the end of the month illuminates these things so you can take steps to correct them. If you have no idea where to start, you can use this simple formula to set up your budget. You can use the 50/30/20 method.

The 50% is for the essentials. This is where you budget things like your housing costs, utilities, transportation, and food.

The 30% is discretionary money. Your cell phone, cable, dinners out, entertainment expenses, vacations. This category could be cut if you really had to cut it, in the event of a job loss for example.

The 20% is for savings. If you have debt, that is included here. It also includes money that goes into your emergency fund, your 401k and your IRA account.

If you have high-interest debt like credit card debt, you should reverse the 30/20% categories. Put 30% of your income towards paying that debt off and the 20% of discretionary spending.

Source:

<https://www.listenmoneymatters.com/building-wealth/>



901 South Highland Street, Arlington,
VA 22204

Abnet A. Tessema,
atessema@ecdCUS.org
Kidist Ebenezer
ktesfaye@ecdCUS.org

Tel: 703-685-0510 (Ext.258/224)

3411 Bank St
Baltimore, MD 21224
Anjerrika R. Bean, PH.D
abean@ecdCUS.org
Tel: 443-990-0110

Writing a Business Plan

Before you start a new business you have to make sure that your business is feasible.

Here is the guideline for writing a business Plan.

The basic questions that should be addressed in your business plan are the following.

Who?

- Introduce yourself
- Experience
- Licensing
- (Permit, license, certificate)
- Legal structure
- (sole proprietorship, partnership, LLC)
- Address
- Summary of what you need

Why?

- Market analysis
- Demand and supply analysis
- Industry analysis
- Competition analysis

What?

- Product/service
- Benefit
- Design
- Comparative advantage

How

- Target market strategy
- Product st.
- Price strategy
- Distribution st.
- Promotion st.
- Service strategy
- Process, people, place
- Risk management

Who?

- Management team
- Employees
- Operations plan

How much?

- Material requirements
- Equipment/tools
- Cash flow statement
- Projected balance sheet
- Projected income statement