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# EDG *focus*

## QUARTERLY ISSUE

OCTOBER-DECEMBER 2020

### EDG's Quarterly Performance

*From Sep - Dec, 2020*

#### Loans Approved

Month	Number	Amount
October 2020	7	\$188,700
November 2020	9	\$217,851
December 2020	11	\$219,550
<b>Total</b>	<b>27</b>	<b>\$626,101</b>

#### Loans Disbursed

Month	Number	Amount
October 2020	3	\$73,000
November 2020	4	\$72,851
December 2020	2	\$44,000
<b>Total</b>	<b>9</b>	<b>\$189,851</b>

#### Undisbursed Loans

Month	Number	Amount
October 2020	4	\$115,700
November 2020	5	\$145,000
December 2020	9	\$175,550
<b>Total</b>	<b>18</b>	<b>\$278,250</b>

### 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

### CORONAVIRUS SAFETY



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



Disinfect surfaces around your home and work.



Wash your hands for at least 20 seconds.



Sneeze or cough? Cover your mouth.

# Financial Tips

## PPP2

### 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

The Paycheck Protection Program ends on March 31, 2021. All eligible entities can apply through a participating lender until then.

#### Loan details

The Paycheck Protection Program now allows certain eligible borrowers that previously received a PPP loan to apply for a Second Draw PPP Loan. Second Draw PPP Loans can be used to help fund payroll costs, including benefits. Funds can also be used to pay for mortgage interest, rent, utilities, worker protection costs related to COVID-19, uninsured property damage costs caused by looting or vandalism during 2020, and certain supplier costs and expenses for operations.

For most borrowers, the maximum loan amount of a Second Draw PPP Loan is 2.5x the average monthly 2019 or 2020 payroll costs up to \$2 million. For borrowers in the Accommodation and Food Services sector (use **NAICS 72** to confirm), the maximum loan amount for a Second Draw PPP Loan is 3.5x the average monthly 2019 or 2020 payroll costs up to \$2 million.

#### Who may qualify

A borrower is generally eligible for a Second Draw PPP Loan if the borrower:

- Previously received a First Draw PPP Loan and will or has used the full amount only for authorized uses
- Has no more than 300 employees; and
- Can demonstrate at least a 25% reduction in gross receipts between comparable quarters in 2019 and 2020

#### Source:

<https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/paycheck-protection-program/second-draw-ppp-loans>



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### EDG Virtual Business Incubator Program

Service for consultation and business support Process

1. Select Business Idea
2. Financial part: select source of funding
3. Loan processing
4. Business Licensing, getting EIN
5. Start Operation
  - a. Prepare promotion plan and implementation
  - b. Prepare marketing plan and implementation
  - c. Prepare accounting plan and implementation

Businesses Tasks	
1.	Writing a business plan
2.	Selecting appropriate business structure
3.	Registering: Federal and state license and permits
4.	Funding: EDG loans (if appropriate)
5.	Establishing accounting system and procedures
6.	Develop operations and marketing plan
7.	Training: Customer Service
8.	Static web development
9.	Other related services

#### EDG Media Center

EDG is planning to start its own media using social media as a platform.

Its content will be business, finance & economy and transmitted in five languages:

- Monday- English
- Tuesday- Amharic
- Wednesday- Spanish
- Thursday- Tigrigna
- Friday- Afghan

Medium:

- Facebook
- YouTube