

# *Cash Crunch Loan Project*





NICK ANDERSON  
©NICK ANDERSON



# PARTNERS PILOTING MICRO LOAN TO EASE CASH CRUNCH

Build people's assets and develop local economy among intentions



Lisa Bailey  The New Economy  June 25, 2015



# Financial Empowerment

United to reduce debt, grow savings, build assets.

## REDUCE DEBT

### BASIC NEEDS ASSISTANCE



Assist people facing emergencies such as eviction or disconnected utilities.

### SAFE & AFFORDABLE FINANCIAL PRODUCTS



Significantly reduce demand for payday loans.

## GROW SAVINGS

### FINANCIAL COACHING



Practical money management help in neighbourhoods.

### TAXATION & GOVERNMENT BENEFITS



File taxes and access benefits.

## BUILD ASSETS

### EDUCATION SAVINGS



Open RESPs for children in Calgary.

### LEARNING & EARNING



Grow money saving skills for tangible assets (tuition or tools for work)



# Results

Success Indicator	Results
# of referrals/# of loans disbursed	59 referrals/56 loans disbursed
\$75,000 disbursed to micro loan participants	\$70,850
Loan repayment rate	23% (13/56) have had delinquency reported to the credit bureau (30 days late or more)
# of additional FCF products opened by new members	6

<b>Leakage Calculations</b>  (\$ amount saved compared to if someone had received or kept a payday loan)	\$ loaned at 400% = \$283,400
	\$ loaned at 12% = \$8,502
	Difference is savings in total = \$274,898
	Difference is savings average per person = \$416/month



**firstcalgary**<sup>TM</sup>  
FINANCIAL

[www.firstcalgary.com](http://www.firstcalgary.com)



**momentum**

[www.momentum.org](http://www.momentum.org)

[carlens@momentum.org](mailto:carlens@momentum.org)