

Southern Opportunity And Resilience (SOAR) Fund Insights



Welcome to Your 60dB Results

These loan recipients are the customers of 12 CDFIs that together processed 1,148 loans in 16 Southern states.

Between February and March 2023, we spoke to 275 Southern Opportunity And Resilience (SOAR) Fund loan recipients. They had a lot to say!

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Project Summary

60 Decibels is partnering with CRF USA and Calvert Impact Capital to understand the impact of the Southern Opportunity and Resilience (SOAR) Fund on small businesses who received loans from the Fund in 16 southern states. 12 Partner Organizations came together, via an innovative structure and collaborative funding model, to better understand and address common challenges in accessing and deploying capital for historically underserved communities.

By hearing directly from small business owners about their experience and outlook, banks, investors, and policymakers can be responsive and supportive in preserving businesses and jobs.

Our aim was to understand the impact of the SOAR Fund by listening directly to those who have received loan capital from the Fund.

Partner Organizations



LiftFund
DREAM IT. FUND IT.



COMMUNITIES
Unlimited



Southern Bancorp
Community Partners



Pathway Lending



ACCION OPPORTUNITY FUND



NDC



Partner Community Capital™



ACE
ACCESS TO CAPITAL FOR ENTREPRENEURS



Ascendus



BBIF
Smart Growth for Your Business!



TruFund®
FINANCIAL SERVICES
More than a loan. An opportunity.



PeopleFund

Headlines

Here are the most interesting findings from interviews with 275 SOAR Fund loan recipients.

What capital options did small businesses have besides the SOAR Fund?

The SOAR Fund served many first-time business borrowers.

- 81% have never applied online for a business loan prior to this experience
- 74% indicate they could not have easily found a good alternative to the SOAR Fund loan
- 41% have never borrowed money for their business prior to applying for this loan

What impact did the loan have on small businesses in the South?

The SOAR Fund loan served as a critical capital injection for many businesses.

- 79% say their ability to maintain jobs has increased because of the loan
- 74% say their stress level related to finances has decreased as a result of the loan
- 62% report they can better manage their finances now than before receiving the loan
- 12% believe they would have closed permanently if not for the loan

How well equipped are small businesses moving forward?

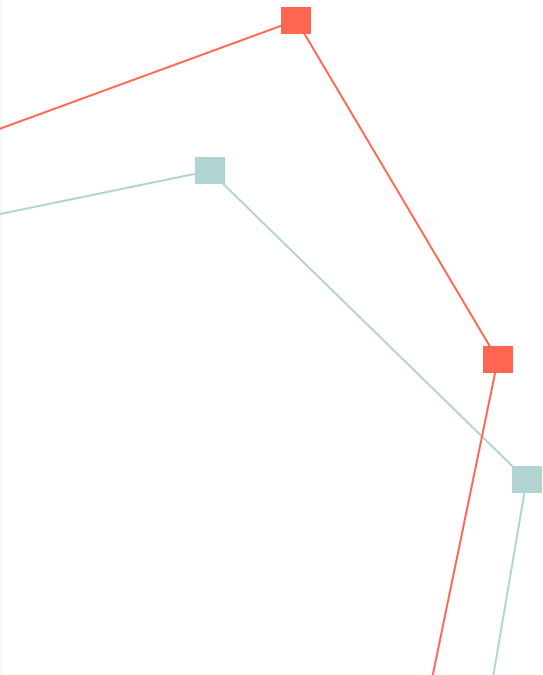
Additional capital support is an anticipated need for most businesses.

- Of the 86% of businesses who report having cash reserves, the average amount in reserves is enough to cover 8.6 months of business expenses
- 64% report they will need additional capital in the coming 12 months. 66% would use additional capital for marketing; 59% for hiring more staff; 48% for working capital
- 73% report their business assets have increased because of their business activity. 53% mention their personal assets have increased

SOAR Fund Loan Recipients Voices

We loved hearing loan recipients voices.

Here are some that stood out.



Impact Stories

55% of loan recipients indicate their employees' quality of life has improved as a result of SOAR Fund Loan

"We were able to increase hourly wages, and we are one of if not the top-paying bars on the island."
- Male, North Carolina

"I was able to keep all the trucks in use and get more contracts which meant more work for my guys."
- Male, Louisiana

"They [employees] are happy when they see more orders and people dining in. The environment is more positive, and I did not have to reduce or lay off any employees."
- Female, Florida

"The loan allowed me more freedom to give raises and more stability in the company easing the stress for everyone."
- Male, Tennessee

"I was able to let them work longer hours and increase the earning potential."
- Female, Texas

"It allowed us to keep people working in our slower season to build inventory for our busy season."
- Female, North Carolina

Experience

85% of loan recipients shared their satisfaction with SOAR Fund Loan

"The amount of the loan was great, how fast and easy it was, and the promptness of the agents in completing my loan in a timely, efficient way."
- Male, Florida

"The process was streamlined and quick. The rates and terms were great. Traditional lending cannot beat the services and products that are offered. You can't even get a mortgage rate as low as the rate I received. The agents went through each step, and I felt confident they knew what they were doing, which contributed to the quick process."
- Female, Georgia

Opportunities For Improvement

15% of loan recipients had a suggestion for improvement

"It would be very helpful to have a longer term to pay off the loan, making the monthly payments lower and taking the burden off the borrowers."
- Female, Florida

"It would be nice if they would open another office. More transparency with the process. Something to let people know where they stand in their process, be transparent about dates when the loan would be disbursed, call me and let me know if it is delayed."
- Female, Florida

Key Questions We Set Out to Answer

- **Small Business Owner Profile**
 - > State Profile
 - > Demographic Profile
 - > Business Profile
- **Accessing Capital**
 - > Prior Access to Business Loans
 - > Availability of Alternatives
 - > Comparison to Online Lenders
- **Loan Recipient Experience**
 - > Satisfaction
 - > Application Experience
- **Loan Recipient Impact**
 - > Changes on Employees' Quality of Life
 - > Perceived Impact
 - > Loan Additionality and Repayment
 - > Business Growth
- **Business Finances and Outlook**
 - > Cash Reserves and Sources of Capital
 - > Additional Capital Support
 - > Property Ownership
 - > Business Goal

State Profile

The SOAR Fund made loans in 16 Southern states. We interviewed loan recipients from 14 of them**.

Georgia and Texas have the greatest percentage of BIPOC loan recipients (97% and 91%, respectively) while Virginia has the lowest (77%).

Florida and Georgia are the states with greatest representation of female loan recipients, with 44% and 47% female loan recipients, respectively.

42% of loan recipients we surveyed live in Florida, 15% in Georgia and 14% in Texas; this sampling is proportional to the distribution of all loan recipients.

About the Loan Recipients We Spoke With

Data relating to loan recipients' characteristics:

Location (n = 275)



State	
Florida	42%
Georgia	15%
Texas	14%
North Carolina	9%
Virginia	5%
Other*	15%

*States considered in the "Other" category include Alabama, Delaware, South Carolina, Louisiana, Maryland, Arkansas, District of Columbia, Mississippi, Tennessee. They have from 1 to 9 respondents per state, making the sample too small for relevant segmentation.

**Oklahoma and West Virginia are not considered in the 275 responses given that they represented 0.1% and 0.3%, respectively, of the total loan recipient population.

Demographic Profile

SOAR Fund loans were designed to provide flexible, affordable capital and free business support services to small businesses and nonprofits to help them navigate and rebuild from the Covid-19 economic crisis.

50% of loan recipients are Black/African American. Loans are over penetrating the Black/African American community in the three most represented states, compared to the 2020 US Census:

(% Black/African American loan recipients vs US Census)

- Florida: 40% vs 17%
- Georgia: 69% vs 33%
- Texas: 47% vs 12%

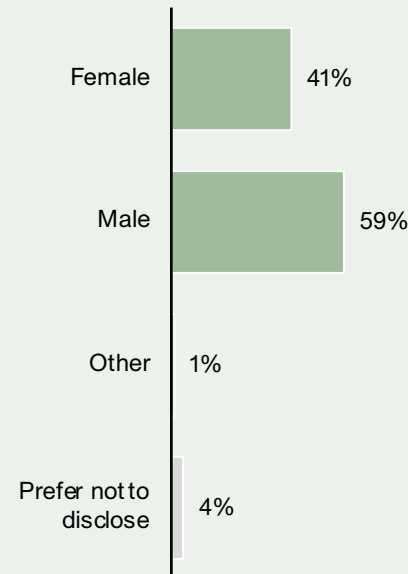
More than 2 in 5 have a FICO score higher than 700, suggesting strong credit history.

2 in 5 loan recipients are female and more than three quarters are BIPOC.

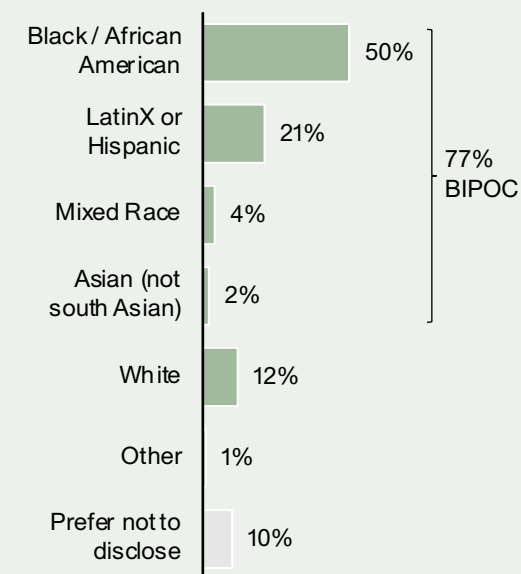
About the Loan Recipients We Spoke With

Data relating to borrower characteristics:

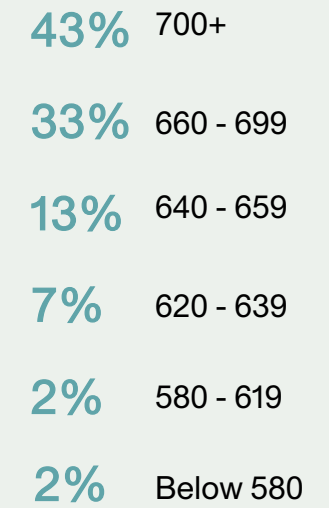
Gender (n = 275)



Race (n = 274)



FICO Score* (n = 275)



*Note: These data points were provided by CRF USA

Business Profile

91% of respondents have been in business for at least 3 years and 57% have revenues of less than \$250k.

A variety of industries are well represented among the loan recipients we spoke with. Commerce and sales is the most represented at 22%.

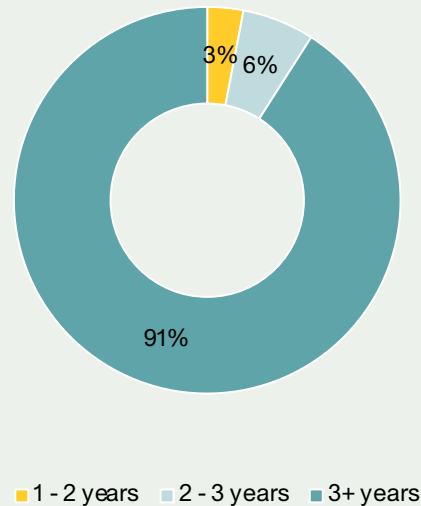
The average of employees has increased from 3 to 5 between the time of application and the survey date.

41% of loan recipients have 1 or 2 employees.

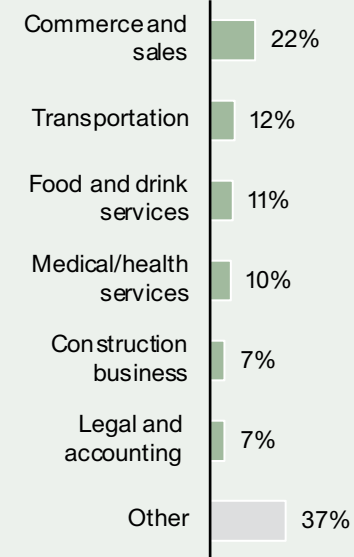
About the Loan Recipients We Spoke With

Data relating to borrower characteristics:

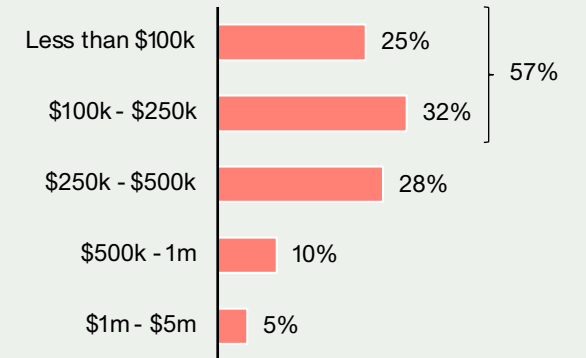
Time in Business (n = 275)



Top Industries (n = 275)



Revenue* (n = 275)



Number of Employees (n = 275)

- 3** Average number of employees at application
- 5** Average number of employees at survey

*Note: These data points were provided by CRF USA

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 - > **Prior Access to Business Loans**
 - > **Availability of Alternatives**
 - > **Comparison to Online Lenders**
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Accessing Business Loans

We wanted to understand the capital landscape of small business owners across the South and Southeast United States by asking if they had ever borrowed money for their business.

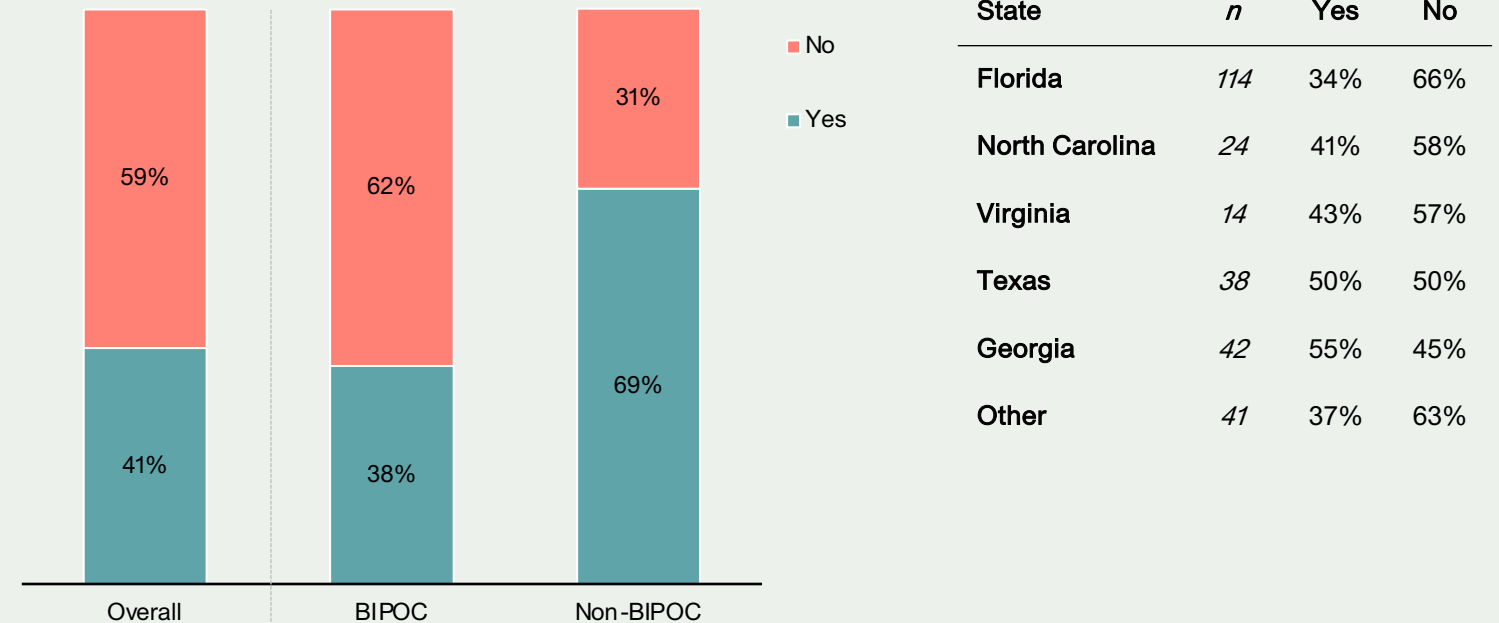
BIPOC loan recipients are less likely (38%) to have borrowed money previously compared to non-BIPOC loan recipients (69%).

Florida and North Carolina are the states with higher percentages of loan recipients that haven't borrowed money for their business before applying to the SOAR Fund loan, 66% and 58% respectively. Florida is also the state with the highest rate of BIPOC loan recipients that have not borrowed money for their business before.

3 in 5 respondents we spoke with are borrowing money for their business for the first time with the SOAR Fund loan.

Business Loan

Q: Have you ever borrowed money for your business before applying for this loan? (n = 273*, 214 BIPOC, 32 Non-BIPOC)



*Note: Overall n value includes both BIPOC and Non-BIPOC respondents, as well as those who did not disclose their race.

Availability of Alternatives

Availability of alternatives provides insight into the competitive landscape and the degree to which the SOAR Fund is providing a scarce product/service.

Georgia has the highest proportion of loan recipients (88%) who say they could not easily find a good alternative to the SOAR Fund loan. Florida has the lowest proportion (65%) mentioning they could not find a good alternative, despite having a high rate of first access; suggesting there might be more competition in that market.

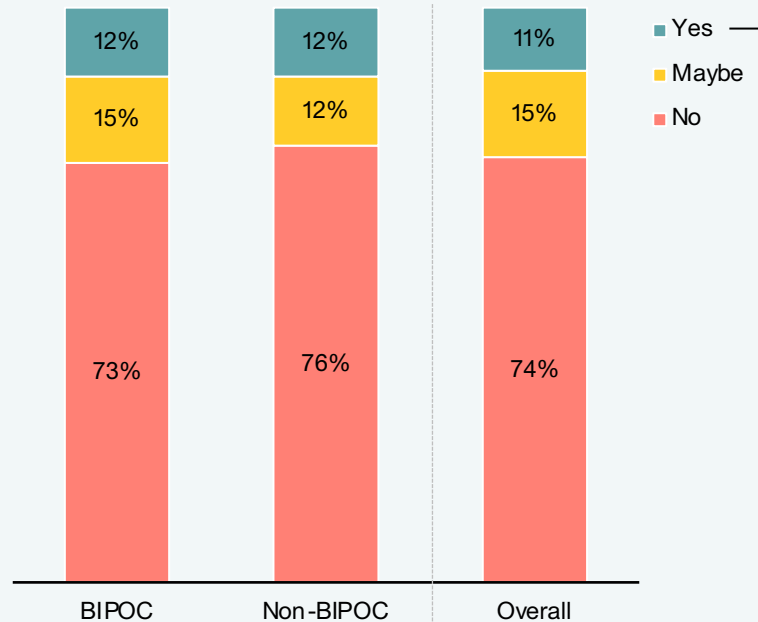
For the 11% of respondents who could find an alternative, 42% would turn to another bank loan.

There is no significant difference regarding BIPOC and non-BIPOC respondents.

Three quarters of respondents indicate they could not have found a good alternative to the SOAR Fund loan.

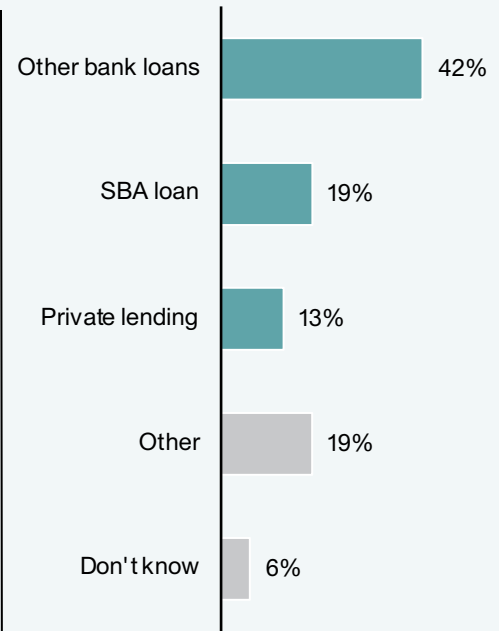
Access to Alternatives

Q: Could you easily have found a good alternative to the SOAR Fund loan? (n = 275, 214 BIPOC, 32 Non-BIPOC)



List of Alternatives

Q: What would that alternative be? (n = 32)



Comparison to Online Lenders

4 in 5 respondents have never applied for an online business loan prior to the SOAR Fund; more than half of those who have applied online previously had a better experience with the SOAR application.

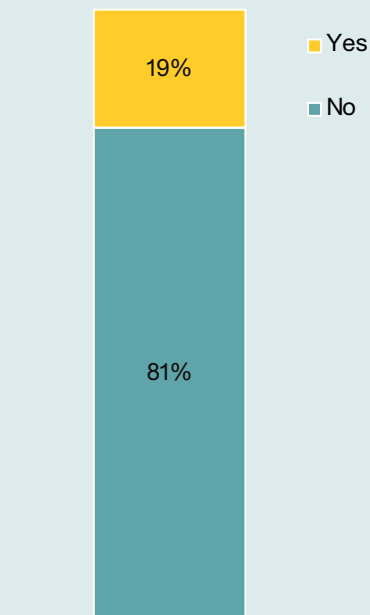
For most respondents, the SOAR Fund loan was their first experience applying online for a business loan.

North Carolina has the highest proportion of first-time applications (92%), while Texas has the lowest (62%).

For the 19% who had prior experience with an online lender, over half report a better overall experience with the SOAR Fund loan. This percentage increases to 66% for BIPOC respondents and decreases to 17% for non-BIPOC respondents.

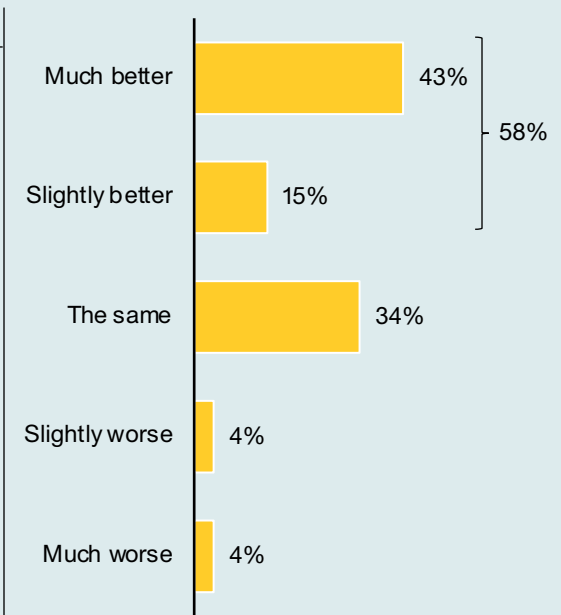
Prior Application for Online Business Loan

Q: Have you ever applied for an online business loan?
(n = 273)



Comparison to Other Lenders

Q: How did your experience with SOAR Fund's online application compare with other online lender(s)? (n = 53)



“The agents were helpful and friendly in their efforts to help me. They truly wanted to see my business succeed and were encouraging throughout the loan process.”

- Male, Virginia

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Satisfaction: Net Promoter Score

SOAR Fund has a Net Promoter Score[®] of 80 amongst loan recipients, which is higher than the 60dB US and Financial Inclusion Benchmarks and suggests high satisfaction.

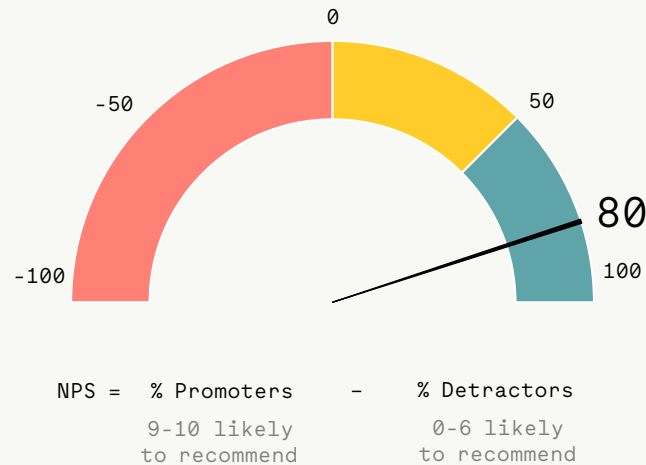
The Net Promoter Score[®] (NPS) is a gauge of satisfaction and loyalty. Anything above 50 is considered excellent. A negative score is considered poor.

Asking loan recipients to explain their score demonstrates what they value and what creates dissatisfaction. This follows on the next slide.

The NPS is higher for men (86) than women (77). Loan recipients in Virginia (86) and Florida (85) gave the highest NPS rating. The NPS for Texas (68) is the lowest amongst the most represented states. Nonetheless, it's still above relevant 60dB Benchmarks.

Net Promoter Score[®] (NPS)

Q: On a scale of 0 to 10, where 0 is very unlikely and 10 is very likely, how likely are you to recommend working with SOAR Fund to a friend or family? (n = 275)



60 Decibels Global Benchmark 47
500+ companies

United States Benchmark 77
19 companies

Financial Inclusion Benchmark 52
130 companies

Satisfaction: NPS Drivers

Promoters value loan approval processes, service experience, and interest rates. Detractors want to see clearer terms and conditions, and less cumbersome approval processes.

85% are Promoters :)

They love:

1. Loan approval process
(45% of Promoters / 38% of all respondents)
2. Customer experience
(20% of Promoters / 17% of all respondents)
3. Repayment terms and interest rates
(17% of Promoters / 15% of all respondents)

“They were there when we needed funding the most. The loan was easy to complete, and the process was quick. The lender also cared about my business's success.” – Female, Florida

Tip:

Highlight the above value drivers in marketing. Promoters are powerful brand ambassadors — can you reward them?

10% are Passives : \

They like:

1. Loan approval process
(48% of Passives / 5% of all respondents)

But complain about:

2. Communication with staff
(45% of Passives / 4% of all respondents)

“It was a seamless process. I got the money I needed but I did have to do a little back and forth with the lending agent. The communication was not the best, but the loan terms were great, so it was overall a good experience.” – Male, Virginia

Tip:

Passives won't actively refer you in the same way that Promoters will.

What would it take to convert them?

5% are Detractors : (

They want to see:

1. Clearer terms and conditions
(31% of Detractors / 2% of all respondents)
2. Less cumbersome approvals
(31% of Detractors / 2% of all respondents)

“The application process was fine, but they needed to be more transparent about the repayment amount. Initially, I knew it was interest-only payments, but then the payment ballooned to five times the size.” – Female, Texas

Tip:

Negative word of mouth is costly.

What's fixable here?

Pre-Application Experience

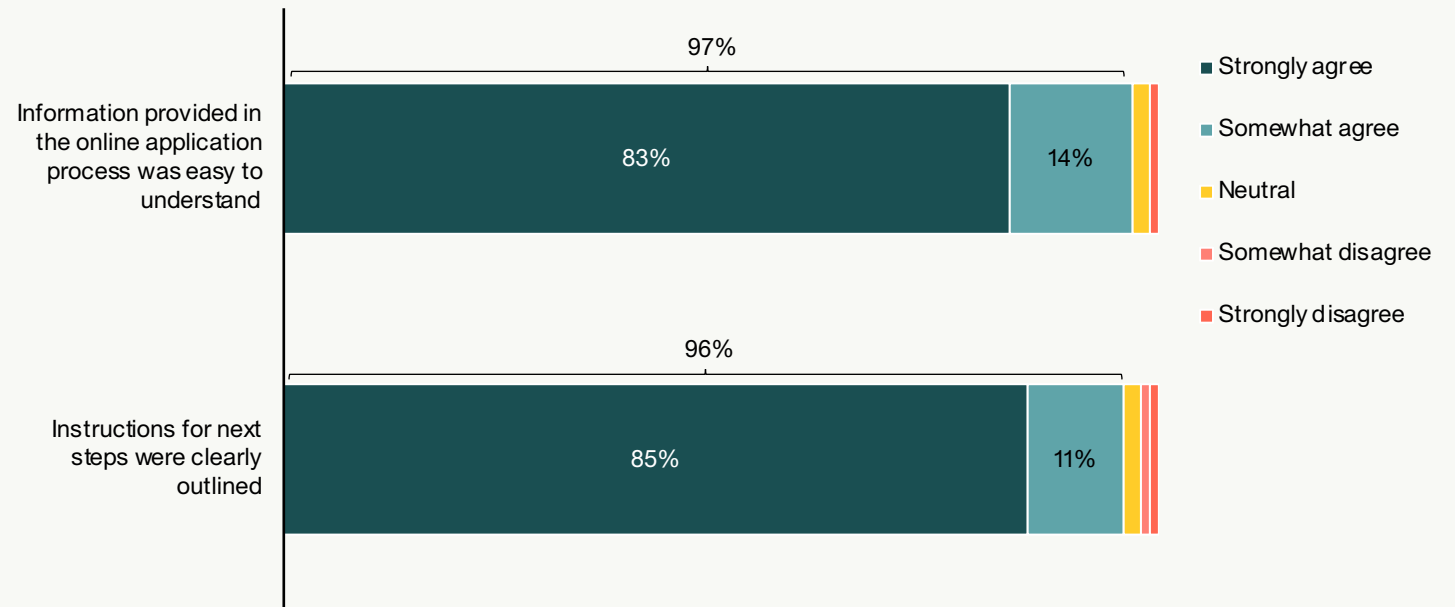
Almost all applicants say that the information provided in the online application was easy to understand and that next steps were clearly outlined.

We asked loan recipients about their experience with the pre-application process.

86% of BIPOC loan recipients 'strongly agree' that next steps were clearly outlined, compared to 73% of non-BIPOC recipients. This could be due to the fact that more BIPOC loan recipients are accessing business loans for the first time, and have less alternatives to compare them with.

Pre-Application Process

Q: To what extent do you agree or disagree with the following statements: (n = 275)



Application Experience

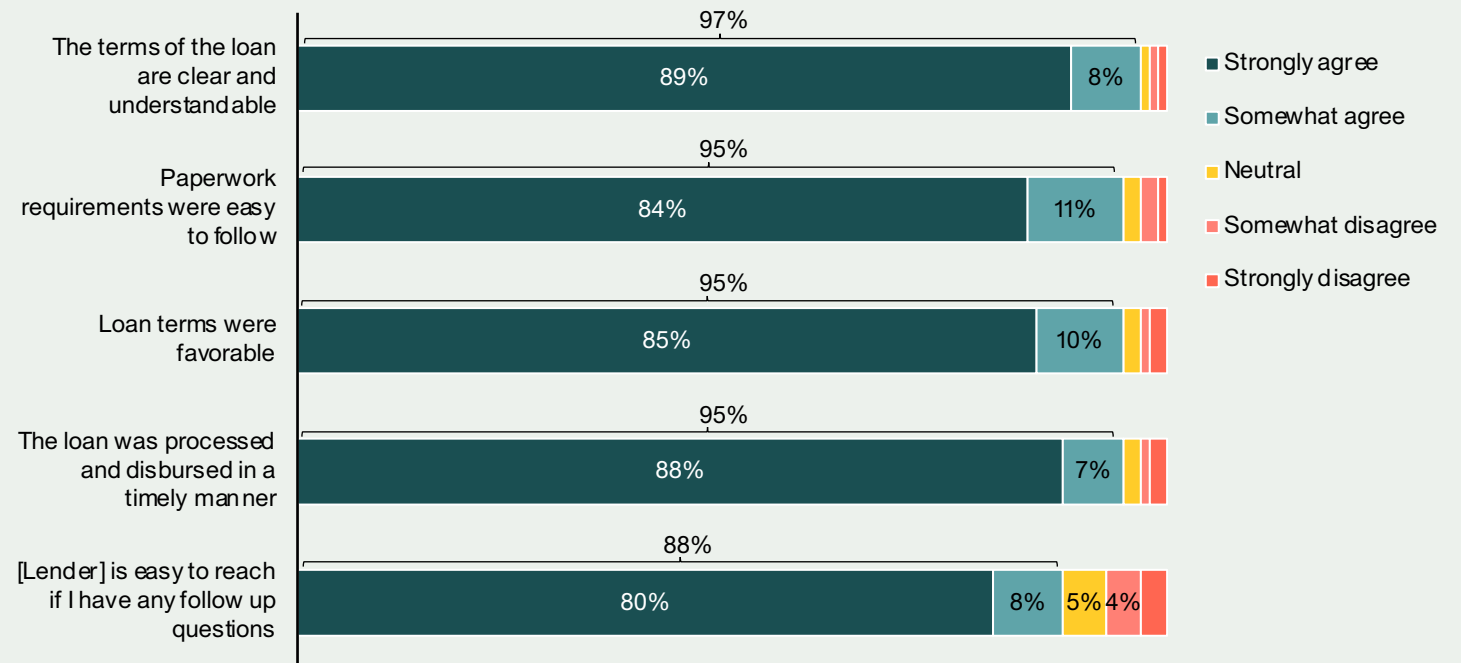
Most loan recipients had a very positive loan application experience. Almost all agree that the loan terms are clear and understandable.

Loan recipients' ability to reach the CDFIs has the lowest rating amongst the application experience metrics, however 88% of loan recipients still agree that the CDFI was available for questions.

Loan recipients who disagree that the 'CDFI is easy to reach with follow up questions' have a lower NPS (27) compared to recipients who agree with the statement (88). This aligns with hypothesis that CDFI communications can be improved to increase loan recipient satisfaction.

Application Experience

Q: To what extent do you agree or disagree with the following statements: (n = 275)



Challenges with the Application

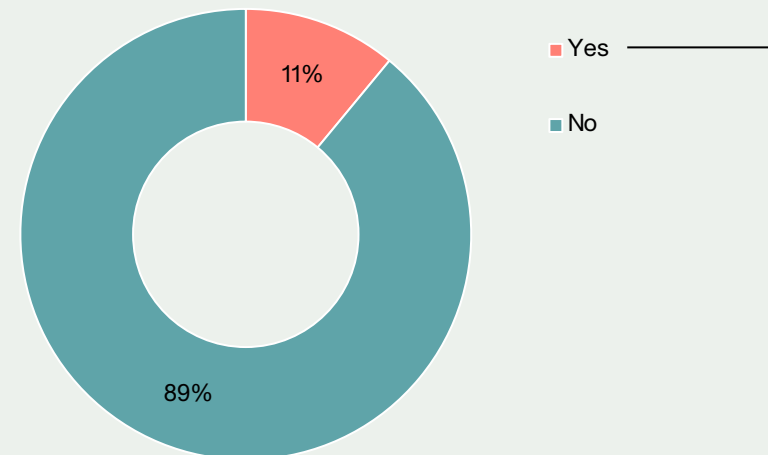
11% of loan recipients experienced challenges when applying for the loan. 26% of them mention lack of communication in the process as the top challenge.

Loan recipients from Virginia mention not having any challenges. There is no significant difference between the other states, gender, or ethnicity.

“From the time I was told my loan was approved till the time I received it, I was not very clear about what the next steps were.” - Male, Texas

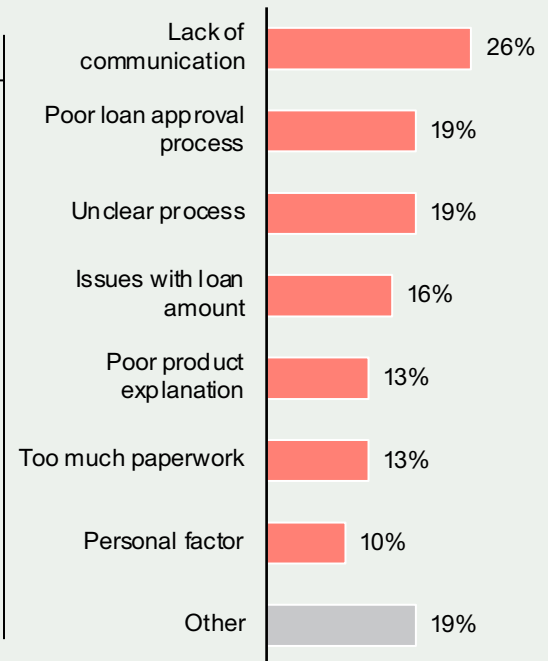
Application Challenges

Q: Did you experience any challenges with applying for the SOAR Fund or with the overall process? (n = 275)



Type of Challenges

Q: Please explain: (n = 31), Open-ended, coded by 60 Decibels.



Loan Application Improvements

85% of loan recipients don't think there is anything about the online application that could be improved.

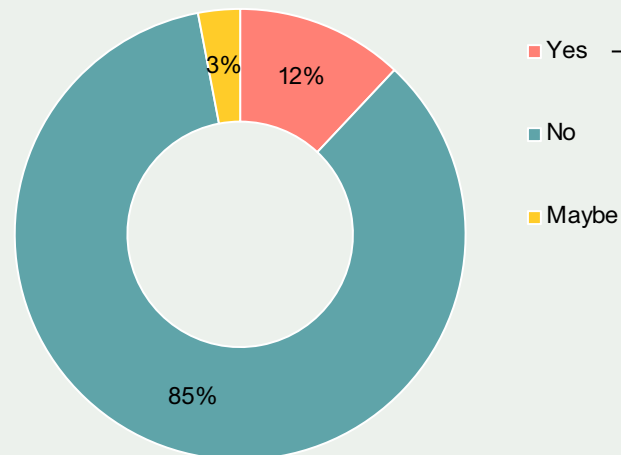
Of the 12% who say the application could be improved, 33% mention they want clearer information, especially given that the application process is divided in two: on the SOAR web page and then with the different lenders.

The proportion of loan recipients that have suggestions for improving the online application increases in less representative states, such as Alabama (33%) and Delaware (22%).

12% of loan recipients have a suggestion for improving the online application. 33% of them mention clear information as the top suggestion.

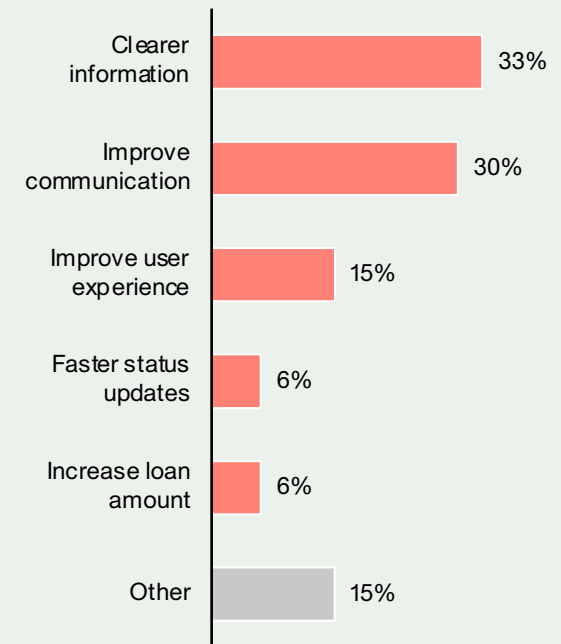
Loan Application Improvements

Q: Is there anything about the online application that you think could be improved? (n = 275)



Suggested Improvements

Q: Please explain: (n = 33), Open-ended, coded by 60 Decibels.



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Loan Recipient Impact: Employee Quality of Life

To gauge depth of impact, we asked recipients to reflect on whether their employees' quality of life has changed because of the SOAR Fund loan.

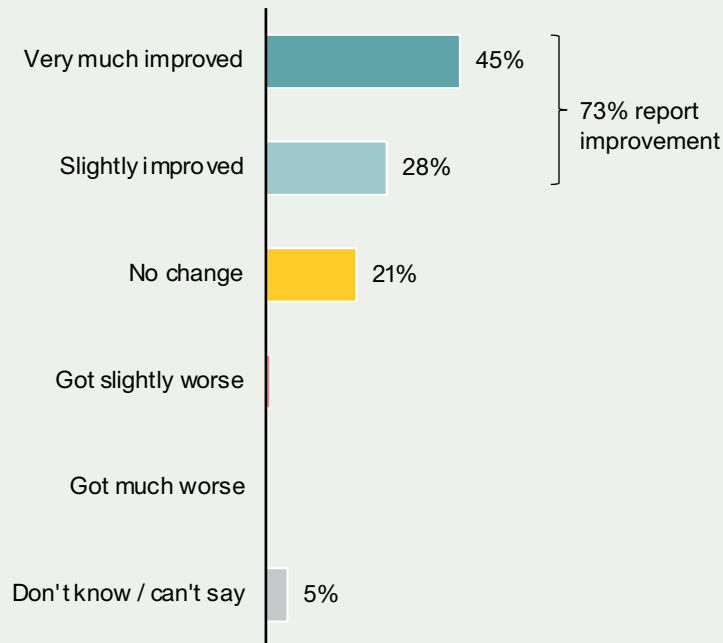
North Carolinian loan recipients report the highest improvement in quality of life (71%), followed by loan recipients from Georgia (60%).

Loan recipients of loan amounts above \$75k* are more likely to report an improvement in their employees' quality of life (59%) compared to those who received a smaller amounts (50%).

Over half of loan recipients indicate their employees' quality of life has improved as a result of the SOAR Fund loan.

Perceived Quality of Life Change for 75% of Business With Employees

Q: Have your employees' quality of life changed because of the loan? Has it: (n = 207*)



Very Much Improved

“I was able to hire 2 more people and not overwork my staff.” - Female, Florida

Slightly Improved

“We were able to keep the business operating and keep our employees.” - Male, Florida

No Change

“With the loan I received I was not able to hire any additional help or improve the quality of life of the existing ones.” - Male, Texas

*Note: \$75,585 is the average requested amount.

**25% of loan recipients say their business doesn't have employees and therefore are not considered in the total n for this question.

Employee Quality of Life: Top Outcomes

Recipients were asked to describe – in their own words – the positive changes their employees were experiencing because of the SOAR Fund loan.

The top outcomes are shown on the right.

Others included:

- Increased productivity (15%)
- Paying staff on time (13%)
- Business growth (12%)

Recipients talk about being able to retain their employees, give pay raises, and hire more employees because of the SOAR Fund loan.

Top Three Self-Reported Outcomes for 55% of Recipients Who Say Employee Quality of Life Improved

Q: Please explain how your employee's quality of life has improved. (n = 149). Open-ended, coded by 60 Decibels.

42%

spoke about **being able to retain their employees**

(23% of all respondents)

“We all still have jobs, so that's a plus.”
- Female, Texas

17%

mentioned **pay raises**

(8% of all respondents)

“The loan allowed me more freedom to give raises and more stability in the company easing the stress for everyone.” - Male, Tennessee

15%

mentioned **hiring more employees**

(8% of all respondents)

“It allowed us to hire more people and give them jobs.” - Female, Florida

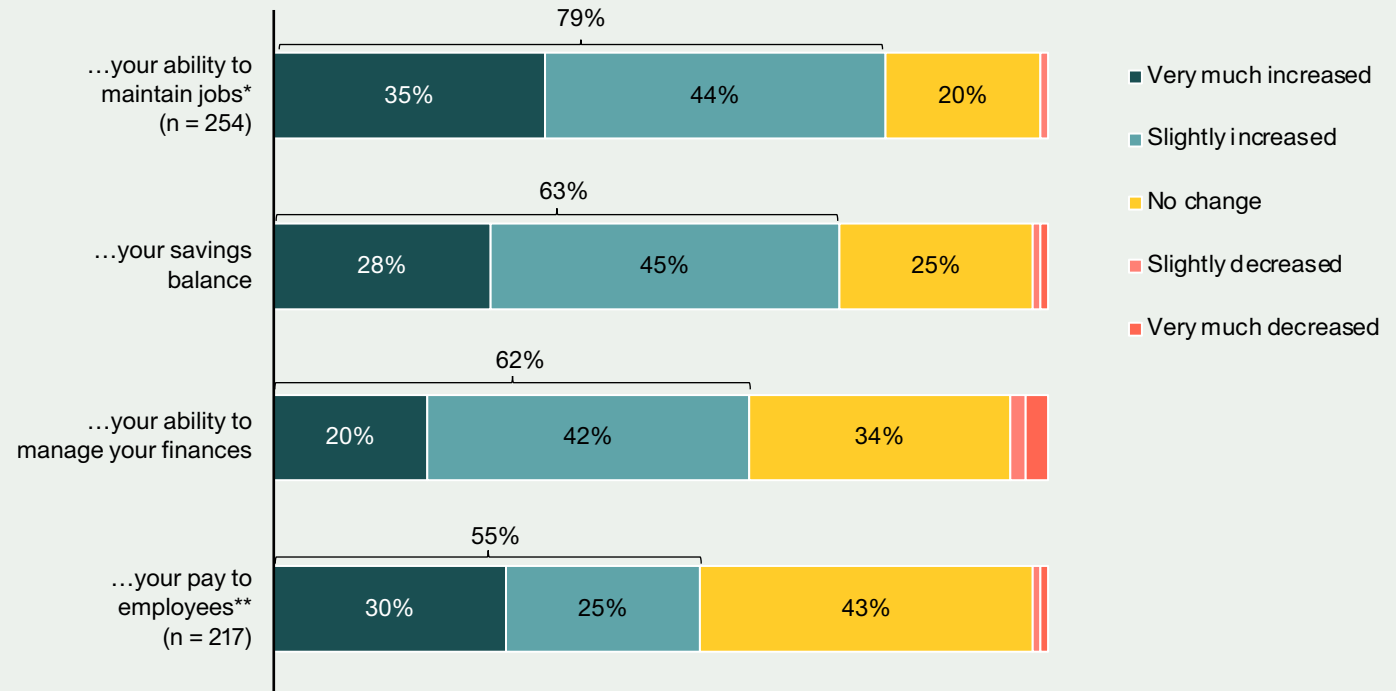
Perceived Impact

4 in 5 recipients report an increased ability to maintain jobs, 3 in 5 report an increase in savings balance.

The SOAR Fund loan has a higher impact on loan recipients' ability to maintain jobs (79%) and a lower impact on their ability to increase employee pay (55%). This is also connected to the reported increase in the number of employees from 3 to 5 between the time of application and the survey date.

Perceived Impact

Q: Has ... changed because of the loan? (n = 275)



*Excluding 21 loan recipients who don't have employees

**Excluding 58 loan recipients who don't have paid employees

Impact on Stress Levels

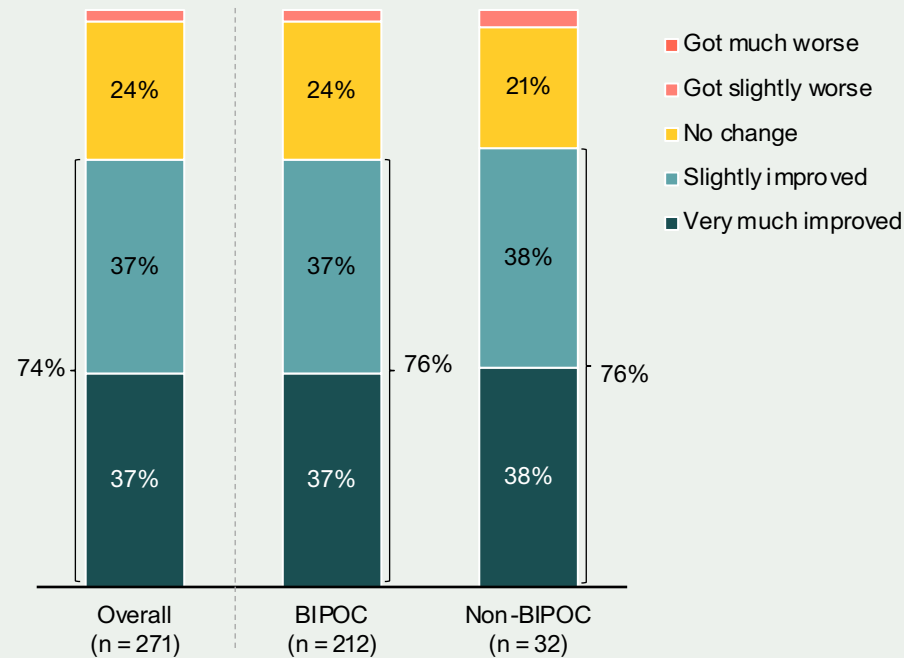
Nearly three quarters of loan recipients report improved stress levels because of the loan.

There is no significant difference in the change in stress levels by race.

Texas is the best performer, as 58% of the loan recipients say that their stress levels 'very much improved'.

Change in Stress Level

Q: Has your stress level relating to your finances changed because of the SOAR Fund loan? (n = 271)



*Note: Overall n value includes both BIPOC and non-BIPOC respondents, as well as those who did not disclose their race.

Additionality of Loans

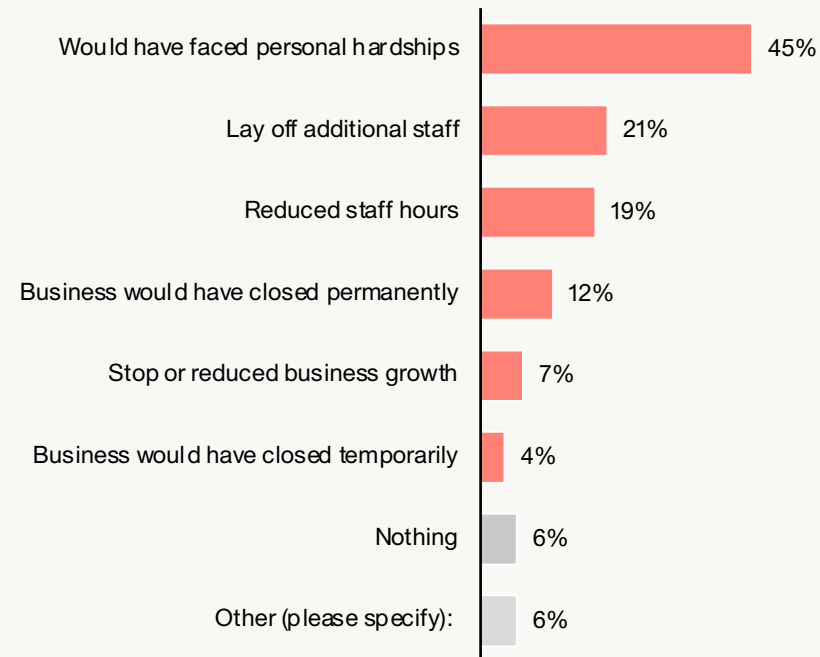
The SOAR Fund loan allowed businesses to avoid personal hardships and the laying off of additional staff.

As a way to gauge how effective the loan was at increasing small business resilience, respondents were asked what would have happened to their business if they didn't receive the loan.

45% of the businesses would have faced personal hardships, and 21% would have to lay off additional staff.

Business Outcomes Without Loan

Q: If you did not have access to the loan from the SOAR Fund, what do you think would have happened to your business? (n = 275) Open-ended, coded by 60 Decibels.



Business Growth: Impact on Income

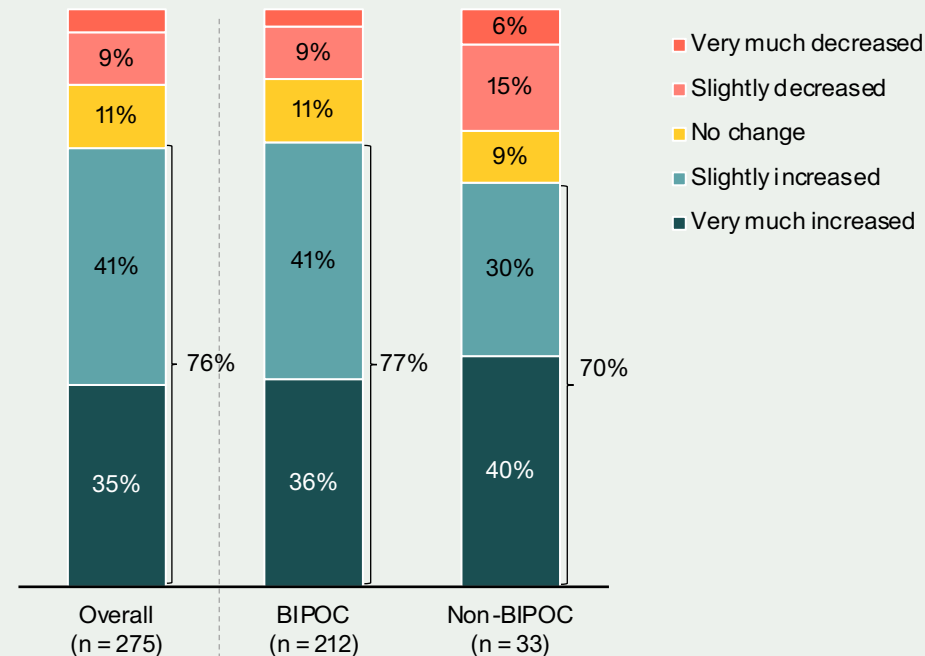
76% of loan recipients say their income has improved because of their business activity, BIPOC loan recipients report a higher improvement.

Men (80%) and BIPOC (77%) loan recipients report a higher income change than women (69%) and non-BIPOC (74%) loan recipients.

Florida loan recipients are less likely to say their business income has 'very much increased' (28%) than North Carolina (46%), Virginia (43%), Georgia (43%), and Texas loan recipients (42%).

Change in Income

Q: Has your income changed because of your business activity? (n = 275)



Business Growth: Impact on Business Assets

73% of loan recipients say their business assets have improved. Non-BIPOC loan recipients report a higher improvement than BIPOC loan recipients.

85% of male loan recipients say their business assets have increased, compared to 71% of female.

When analyzed by industry*, 42% of construction loan recipients say their business assets have 'very much increased', followed by business services (32%) and transportation (26%).

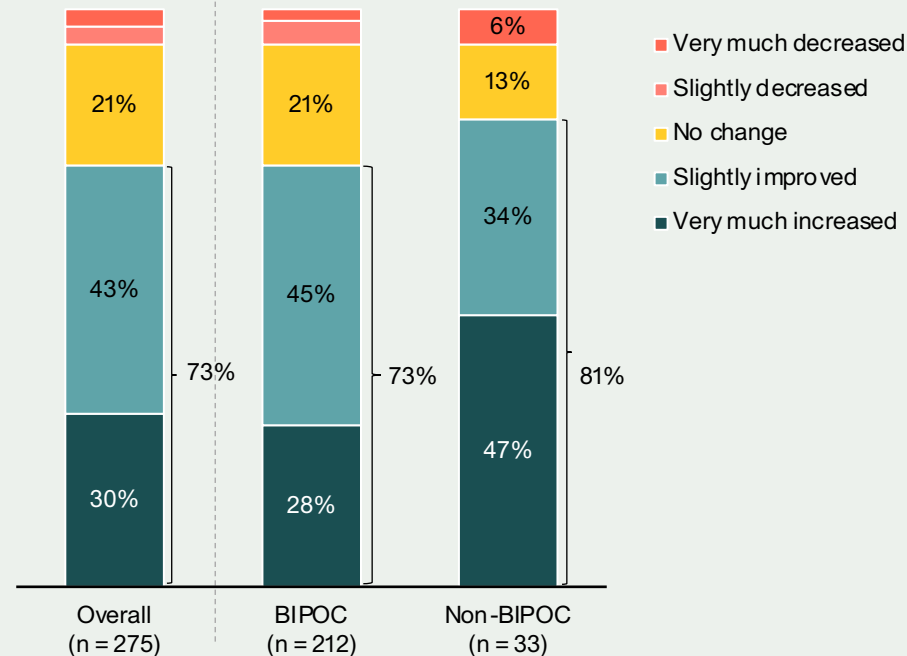
There is a strong statistical relationship between loan recipients who say their business income has increased and those who report an increase in business assets.

We found no strong differences between states.

* Considering those with more than 20 respondents

Change in Business Assets

Q: Have your business assets, such as equipment, vehicles, and properties, changed because of your business activity? (n = 275)



Business Growth: Impact on Personal Assets

53% of loan recipients report their personal assets have improved because of their business activity.

BIPOC loan recipients are less likely to report a positive change in their personal assets than non-BIPOC recipients.

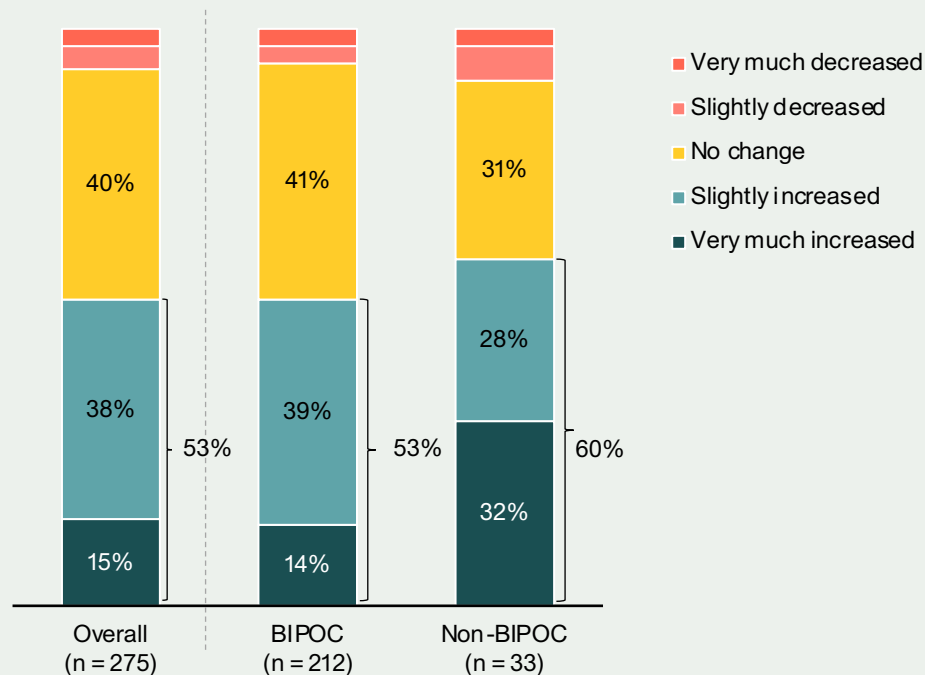
Men (61%) report a higher increase of personal assets than women (46%).

25% of North Carolina loan recipients say their personal assets have 'very much increased' followed by Georgia (19%) and Texas (18%).

While the percentage of BIPOC and non-BIPOC loan recipients that report an increase in income is similar, a higher percentage of non-BIPOC loan recipients report increases in both business and personal assets, compared to BIPOC loan recipients.

Change in Personal Assets

Q: Have your personal assets, such as vehicles, furniture, properties, and stocks, changed because of your business activity? (n = 275)



“Whoever came up with the SOAR program needs to know that it is very appreciated by people.” – Male, Arkansas

Key Questions We Set Out to Answer

- Small Business Owner Profile
 - > State Profile
 - > Demographic Profile
 - > Business Profile
- Accessing Capital
 - > Prior Access to Business Loans
 - > Availability of Alternatives
 - > Comparison to Online Lenders
- Loan Recipient Experience
 - > Satisfaction
 - > Application Experience
- Loan Recipient Impact
 - > Changes on Employees' Quality of Life
 - > Perceived Impact
 - > Loan Additionality
 - > Business Growth
- **Business Finances and Outlook**
 - > **Cash Reserves and Sources of Capital**
 - > **Additional Capital Support**
 - > **Property Ownership**
 - > **Business Goal**

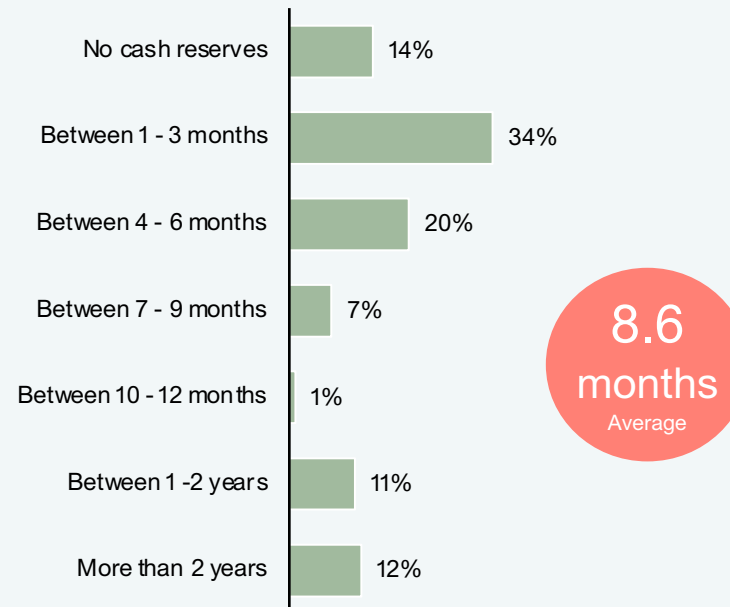
Cash Reserves

34% of businesses owners we spoke with have cash reserves to cover their normal operating expenses for 1 to 3 months, 12% have cash reserves for more than 2 years.

Interestingly, BIPOC business owners report higher cash reserves than non-BIPOC business owners. 14% of BIPOC loan recipients say they could cover operating expenses for more than 2 years, compared to 3% of non-BIPOC loan recipients.

Months Worth of Cash Reserves

Q: Imagine your business stopped generating revenue. How long could you cover normal operating expenses with the savings / reserves you have? (n = 275).

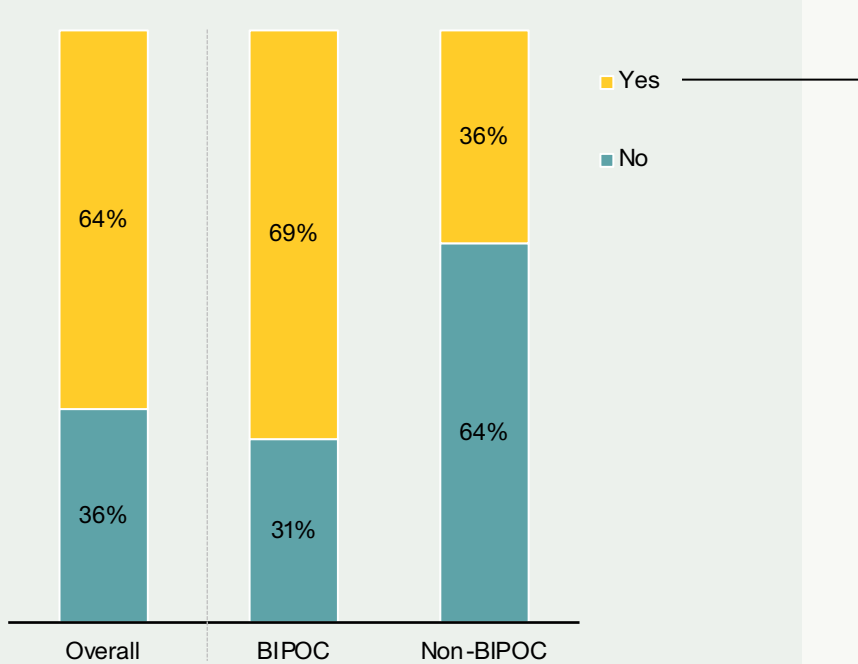


Additional Capital

64% of loan recipients say their business will require additional capital in the next 12 months. 66% would use it for marketing purposes. 17% of loan recipients would seek additional capital from an SBA loan and 14% from bank loan.

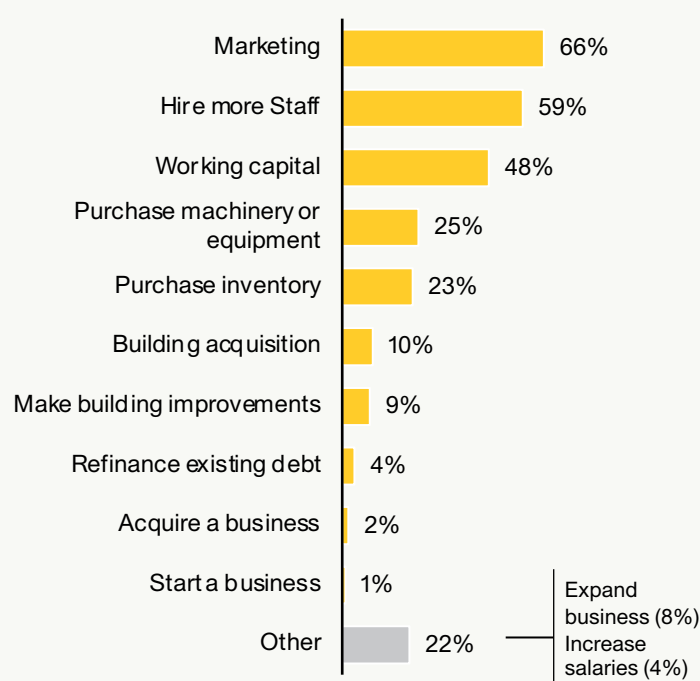
Additional Capital

Q: In the next 12 months, will your business require additional capital? (n = 253* | BIPOC = 196, Non-BIPOC = 33)



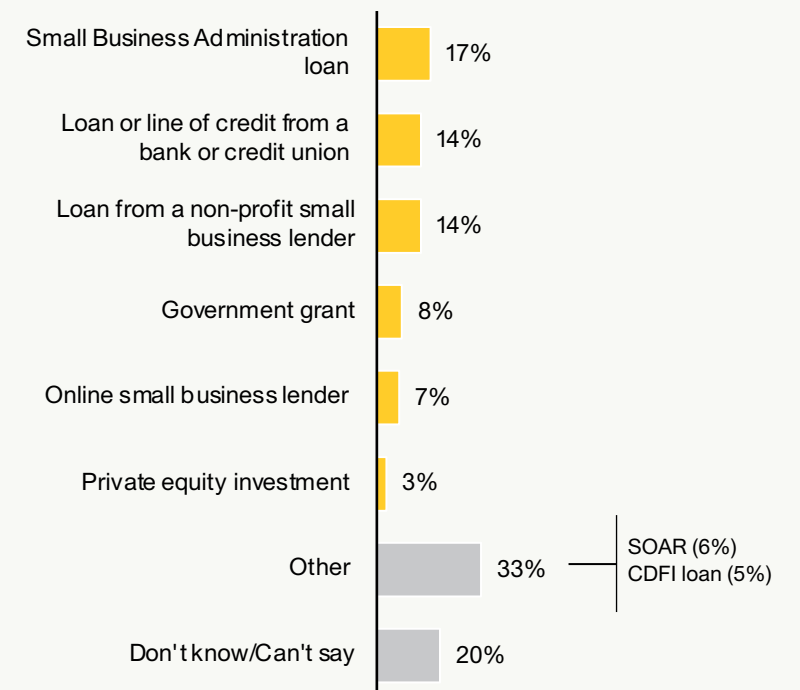
Additional Capital Usage

Q: How would you use the additional capital? (n = 163)



Funding Source

Q: Where would you be most likely to look for additional capital? (n = 163)



*Excluding 22 loan recipients who mentioned 'Don't know/Can't say'

Property Ownership

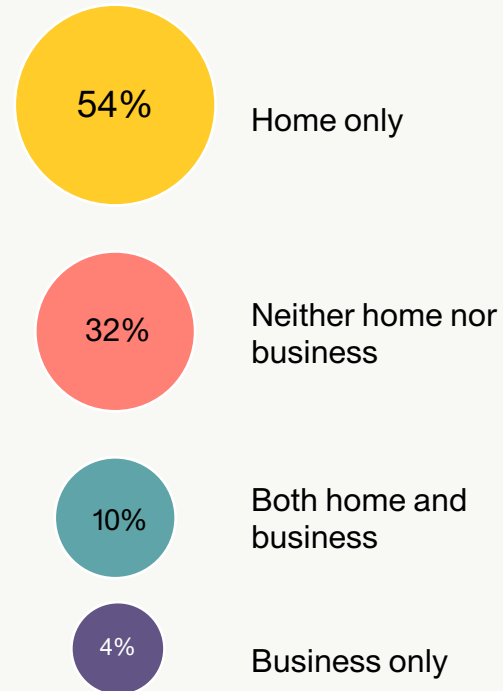
32% of loan recipients own neither home nor business; 83% of these are BIPOC loan recipients.

Lack of home or business property ownership is highest amongst Florida (45%), Virginia (43%) and Georgia (33%) loan recipients, compared to Texas (16%) and North Carolina (8%) loan recipients.

34% of BIPOC loan recipients own neither a home or business property, in comparison to 24% of their non-BIPOC counterparts.

Property Ownership

Q: Do you own your home or business property? (n = 275)



Neither Home nor Business Property Ownership by Race

(n = 88)

Race	% Neither home nor business
BIPOC	83%
Non-BIPOC	9%
Prefer not to disclose	8%

Business Goal

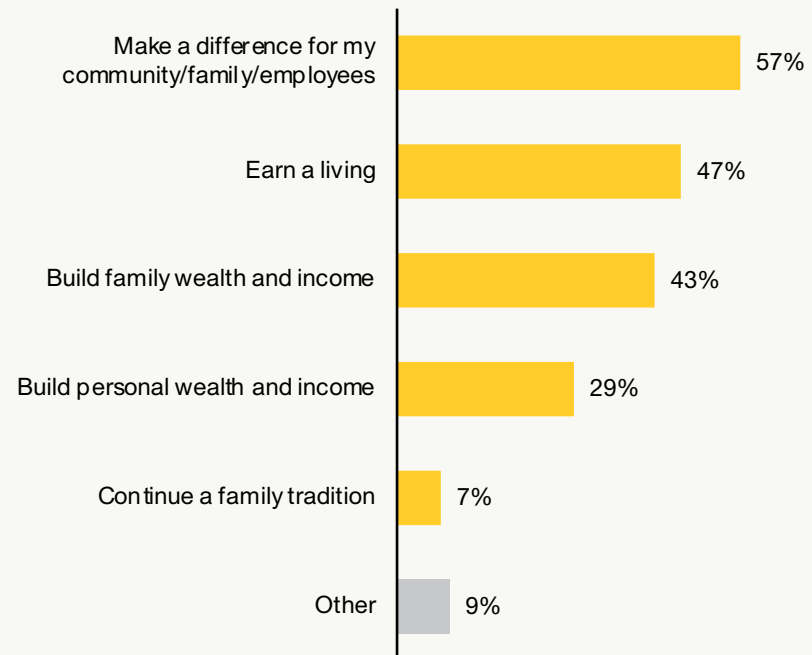
Almost 3 in 5 loan recipients report their main goal for having started a business is making a difference for their community, family or employees.

Female loan recipients are more likely to say their main intention for having started a business is to make a difference in their community (60%), compared to 45% of men.

North Carolina loan recipients are more likely to say their main goal for starting a business is to make a difference.

Business Goal

Q: What is your main goal/intention for having started a business? *Please select the top 2 choices.* (n = 275)



Appendix

- Additional Information on:
 - > Acquisition Channels
 - > Important Loan Characteristics
 - > Time Spent on Loan Application
 - > Loan Repayment
 - > Biggest Obstacles
 - > Sources of Capital
 - > Loan Funds Performance Snapshot
- Summary of Data Collected
 - > Methodology

Acquisition Channels

2 in 5 respondents first heard of the SOAR Fund loan via a national or local organization, 1 in 5 heard of the fund through word-of-mouth referrals.

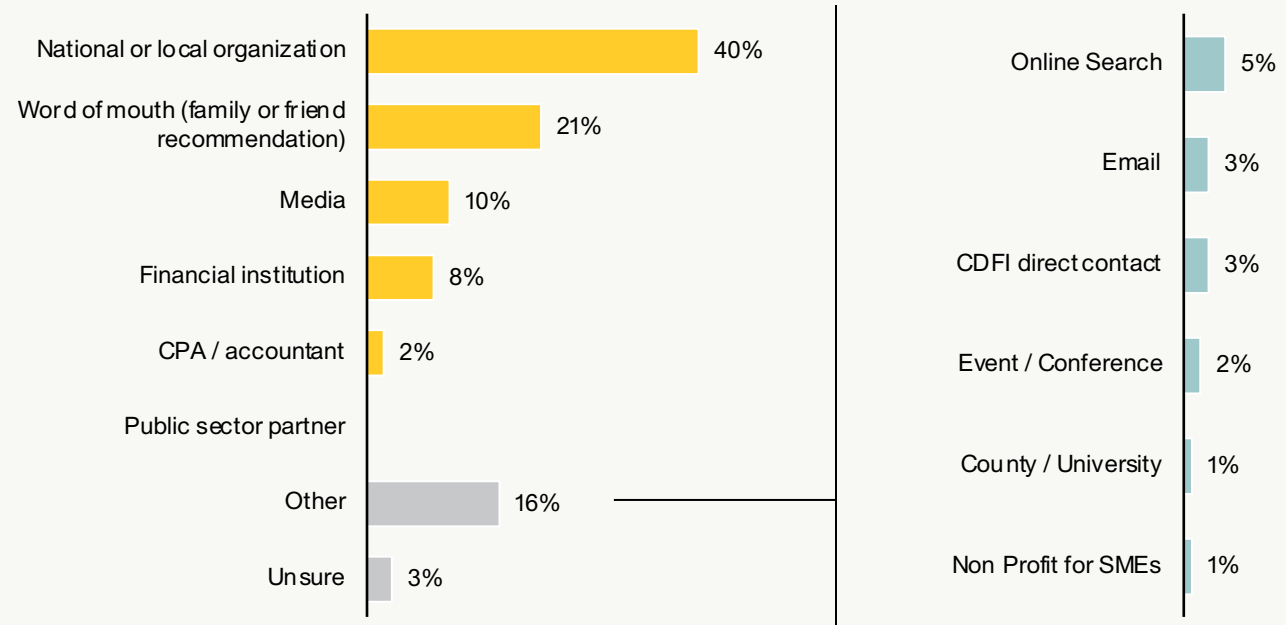
To better understand the acquisition channels, we asked respondents where they first heard of the loan fund.

33% of Georgia loan recipients and 25% of Florida first heard about SOAR Fund through word of mouth, compared to 8% of North Carolina and 7% of Virginia. No Georgia loan recipients heard about the SOAR Fund through word of mouth.

Women (46%) are more likely to say they first heard about SOAR Fund through a national or local organization than men (38%).

Acquisition Channels

Q: How did you first hear about the SOAR Fund? (n = 275)



Important Loan Characteristics When Applying

Loan recipients cite low-interest rate and quick approval process as the most important loan characteristics when applying for the SOAR Fund loan.

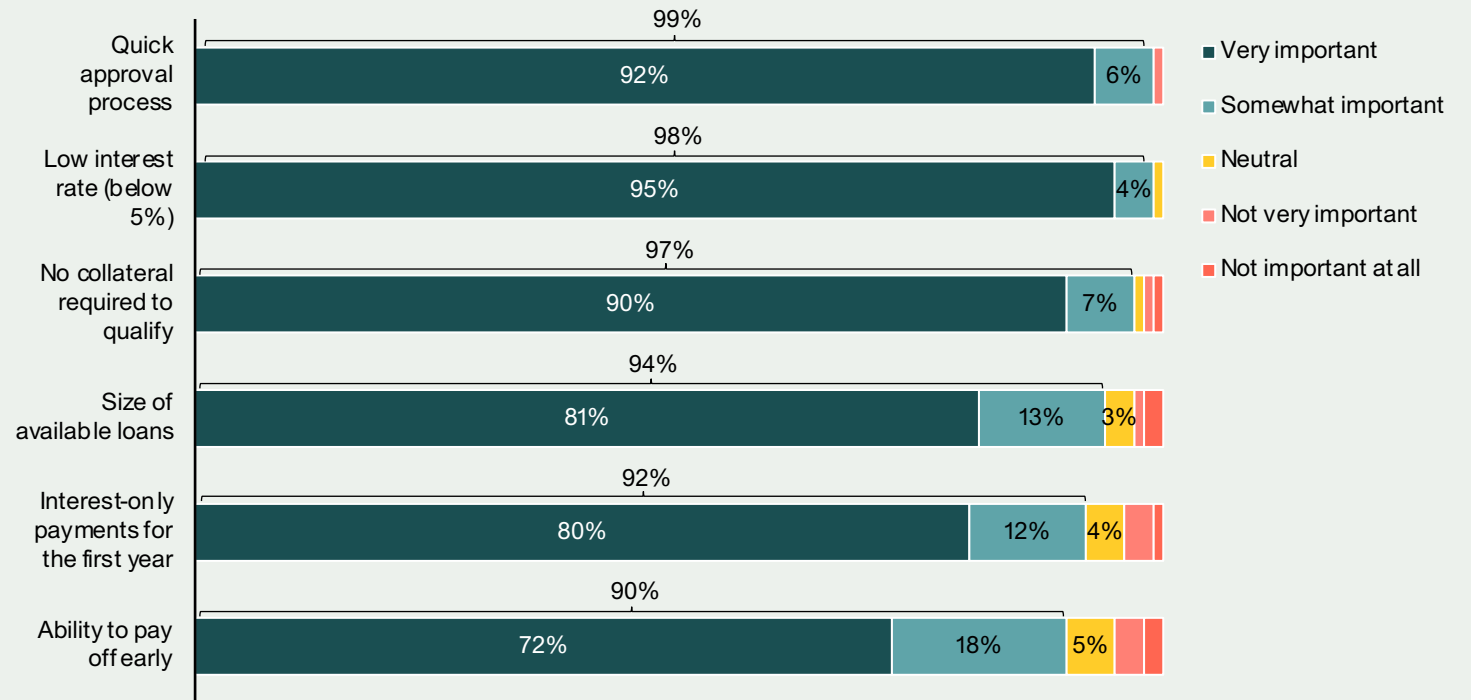
We asked respondents to rate the importance of various SOAR Fund loan characteristics in their decision to apply for the loan.

Closely behind low-interest rates and quick approval process, 97% of respondents cite 'no collateral required to qualify' and 94% cite the 'size of available loans' as the third and fourth most important loan characteristics.

100% of loan recipients in North Carolina say that a 'quick approval process' is 'very important'. In Georgia and North Carolina, 100% of loan recipients say that 'no collateral required to qualify' is important.

Most Important Loan Characteristics

Q: When applying for the SOAR Fund loan, how important were the following for you? (n = 275)



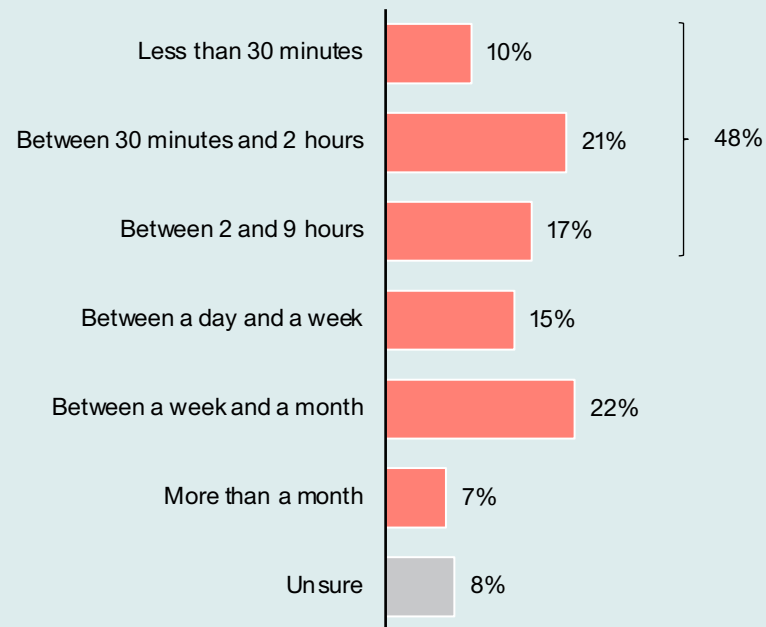
Time Spent On Loan Application

21% loan recipients report an agent from the CDFI spent between 30 minutes and 2 hours with them on the loan application. 10% of loan recipients say that the CDFI agent spent less than 30 minutes.

48% of loan recipients spent a working day or less with a CDFI agent on their application.

Time Spent

Q: How much time, approximately, did an agent from [CDFI] spend with you on your loan application?
(n = 275) Open-ended, coded by 60 Decibels.



Loan Repayment

Although 39% of recipients consider their loan repayment a burden, 97% are 'confident' they will be able to repay their loan.

We use these two metrics to gauge recipients' potential risk of being overindebted by their SOAR Fund loan.

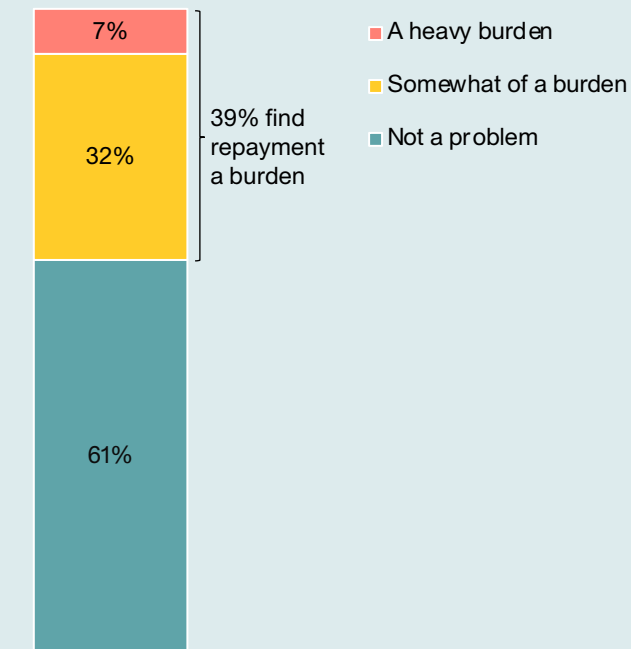
Recipients who say their loans are 'not a problem' are more likely to be 'very confident' in repaying their loan (92%) compared to those that find them to be 'somewhat of a burden' (86%) or 'a heavy burden' (37%).

The average number of employees for businesses that consider the loan a heavy repayment burden is 2.6, while the average number is 4.9 for those who consider it 'not a problem'. This suggests that loans could be perceived as a higher risk for smaller companies who have less operating capital.

42% loan recipients in North Carolina consider the loan repayment a burden, compared to 21% in Virginia.

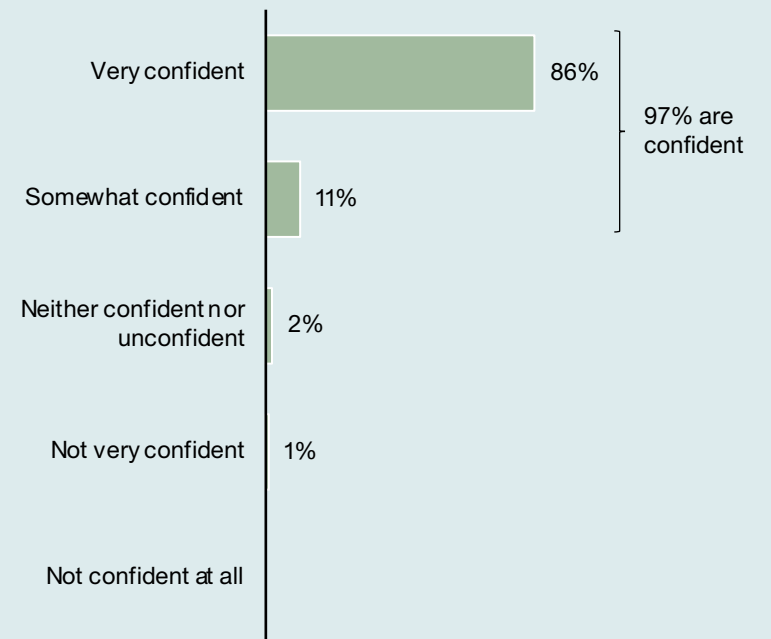
Repayment Burden

Q: Thinking about the loan repayment, are they a heavy burden, somewhat of a burden, or not a problem? (n = 272)



Repayment Confidence

Q: How confident are you that you will be able to repay the loan? (n = 275)



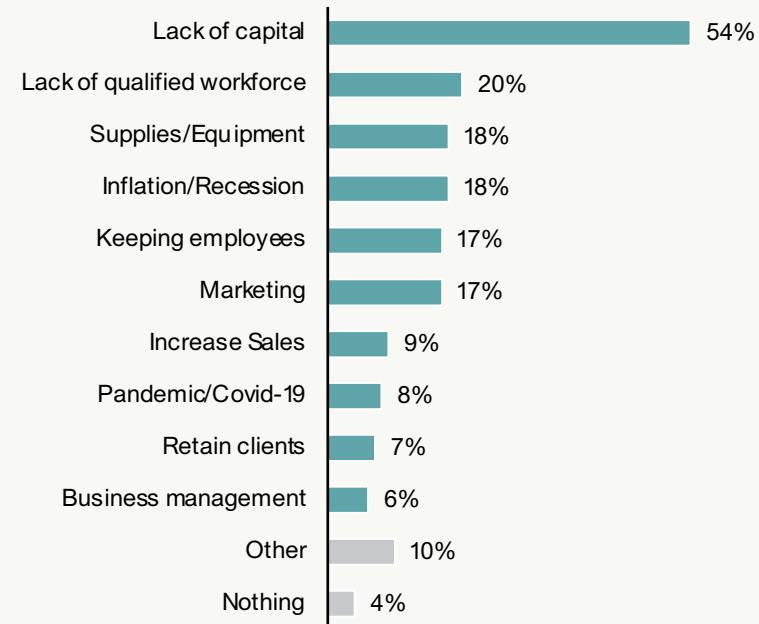
Biggest Obstacles

Loan recipients report lack of capital, workforce, and supplies as the biggest obstacles holding their business back from reaching its full potential.

Respondents reported a variety of obstacles they face at the moment.

Biggest Obstacles Loan Recipients

Q: What are the biggest obstacles holding your business back from reaching its full potential? (n = 275) Open-ended, coded by 60 Decibels.



“I could use more capital to market and increase the locations we have. The more inventory we have, the more I can pay people to cover a larger territory; I do not have the capital to do that right now.”
- Female, Georgia

“The ability to hire qualified individuals and pay them at market rate. I'm a small business, and it's hard to attract top talent.” - Male, Texas

“Funding for equipment. Getting better equipment to be more efficient will allow me to grow my business by taking on more projects.” - Male, Florida

Sources of Capital

Bank loans have been the most common source of capital to help loan recipients' businesses in the past 18 months, followed by SBA loans.

61% of BIPOC loan recipients say they have used no additional source of capital in the last 18 months, compared to 25% of non-BIPOC.

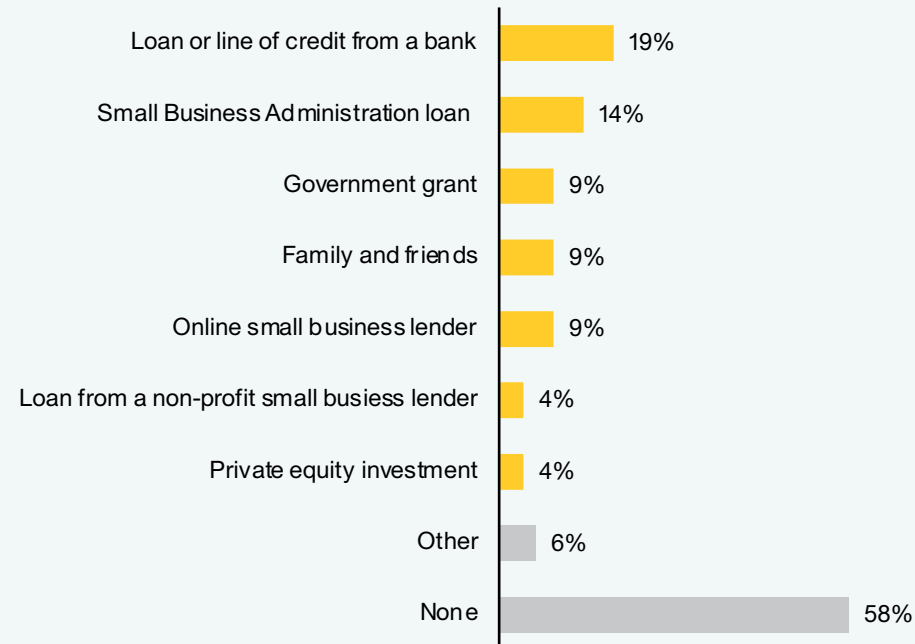
For those who used a source of capital, BIPOC loan recipients primarily used a bank loan (19%), compared to non-BIPOC who report SBA loans (33%) as their primary source of capital.

A higher proportion of female (45%) loan recipients have used an additional source of capital than men (37%).

We found no strong differences between states.

Sources of Capital

Q: In the past 18 months, have you used any of the following sources of capital for your business? Please check all that apply: (n = 163), Multiple select



Loan Funds Performance Snapshot

SOAR loan recipients appear to have a better experience than loan recipients from other loan funds, a higher ability to maintain jobs, and a higher improvement in employee quality of life.

Prior Loan Access

CA	NY	WA	SOAR
54	46	47	41

Better Lending Experience Compared to Others

CA	NY	WA	SOAR
56	64	55	58

Available Cash Reserves

CA	NY	WA	SOAR
94	56	91	86

Average Number of Employees

CA	NY	WA	SOAR
7	2	3	5

Net Promoter Score

CA	NY	WA	SOAR
71	63	63	80

Increased Ability to Maintain Jobs

CA	NY	WA	SOAR
67	57	70	79

Employee Quality of Life Improved

CA	NY	WA	SOAR
69	55	64	73

Stress Levels Reduced

CA	NY	WA	SOAR
77	58	73	74

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Summary Of Data Collected

275 phone surveys completed between February and March 2023

Methodology

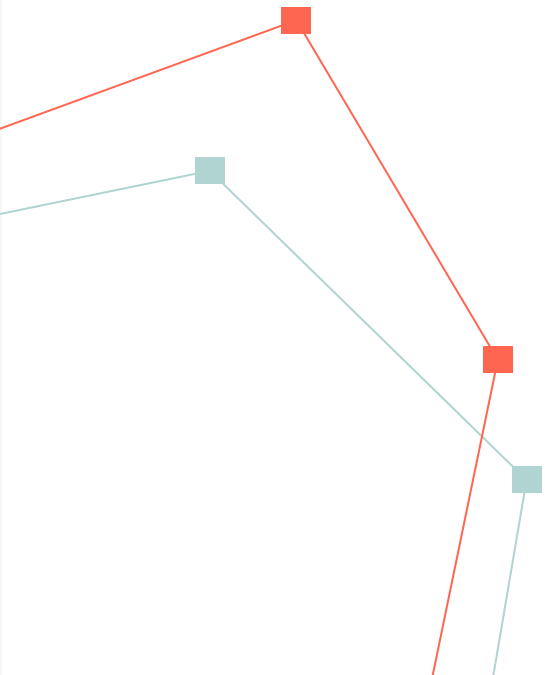
Survey mode	Phone
Country	United States
Language	English
Dates	February – March 2023
Sampling loan recipients	Random sample from list of 1079

Accuracy

Confidence Level	95%
Margin of Error	5%

Responses Collected

Loan recipient respondents	275
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Thank You For Working With Us!

Let's do it again sometime.

About 60 Decibels

60 Decibels makes it easy to listen to the people who matter most. 60 Decibels is an impact measurement company that helps organizations around the world better understand their clients, suppliers, and beneficiaries. Its proprietary approach, Lean Data, brings customer-centricity, speed and responsiveness to impact measurement.

60 Decibels has a network of 1000+ trained Lean Data researchers in 50+ countries who speak directly to clients to understand their lived experience. By combining voice, SMS, and other technologies to collect data remotely with proprietary survey tools, 60 Decibels helps clients listen more effectively and benchmark their social performance against their peers.

60 Decibels has offices in London, Nairobi, New York, and Bengaluru. To learn more, visit 60decibels.com.

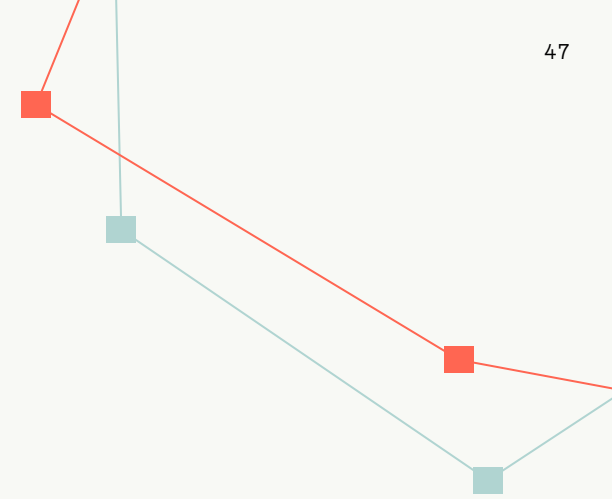
We are proud to be a Climate Positive company.

Your Feedback

We'd love to hear your feedback on the 60dB process; take 5 minutes to fill out our feedback survey [here!](#)

Acknowledgements

Thank you to the Calvert Impact and CRF teams for their support throughout the project.



I am very grateful for the funds,
They helped my business
and made a difference.

I am also
grateful that
someone

> wanted
> my opinion
> in the matter.

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