

*November 10, 2023*

## **Bank of America, Veteran Loan Fund, and ACC and Its Members Provide Support for Veteran-led Small Businesses in Appalachia**

Christiansburg, VA - Bank of America is seeding a second round of financing for Veteran Loan Fund, doubling a two-year-old commitment that has already funded more than 500 small businesses that have created or retained more than 3,000 jobs across 37 states. Appalachian Community Capital (ACC) has already distributed \$1MM in loan funds through this partnership for use in Appalachia.

The Veteran Loan Fund is a national collaborative of a growing number of Community Development Financial Institutions (CDFIs), including ACC, and specialized veteran service organizations providing responsible capital and technical assistance to underserved veteran entrepreneurs. The fund offers an online platform that connects military veterans and their spouses with mission-focused lenders and education partners to help them build and sustain small businesses. Eligible veterans benefit from below market rate funding and free business coaching.

“Many veterans have the drive, discipline and leadership skills to fuel small business growth but lack the funding or network to help them grow. We have seen the benefits of low-cost capital in catalyzing entrepreneurship and are pleased to continue to support this work,” said Dan Letendre, head of CDFI Lending at Bank of America.

ACC loaned \$1MM to member Sabre Finance through the Veteran Loan Fund Program. “Sabre Finance is extremely grateful to ACC for its support of our organization and the veterans we can serve because of ACC’s dedication to improving the lives of entrepreneurs in the Appalachian area. While there are quite a few resources for veterans, there is a distinctive lack of capital for veteran entrepreneurs. This partnership has started the process of eliminating this roadblock for an improved quality of life for those veterans who call Appalachia home,” said Dr. Ray Morris, CEO of Sabre Finance.

“Access to responsible capital is a key issue for military veteran entrepreneurs,” said Grant Bennett, Director of Veteran Programs and Operating Manager of the Veteran Loan Fund. “Now is the time to scale our impact within the veteran business community. We can only do this through the work of our CDFI partners and support of organizations like Bank of America.”

The Veteran Loan Fund plans to grow to \$100 million across the nation by 2027, an amount equal to the estimated annual demand for capital from veteran entrepreneurs who lack any funding for their businesses. Its first \$15 million round, fully deployed in less than 12 months, was made possible by a \$5 million commitment of long-term, below market rate lending capital from Bank of America as lead investor in 2021, along with support from other major institutions. In this round, Bank of America will lend \$10 million to the new \$25 million fund.

Bank of America is the largest investor in CDFIs, with \$2 billion in financing to more than 260 CDFIs across all 50 U.S. states and the District of Columbia.

Veteran Loan Fund Member CDFIs include: Access to Capital For Entrepreneurs (GA), Appalachian Community Capital (VA), Black Business Investment Fund (FL), Business Impact Northwest (WA), Colorado Enterprise Fund (CO), Dream Spring (NM), Economic and Community Development Institute (OH), Pathway Lending (TN), Justine Petersen (MO), PeopleFund (TX), Pursuit (NY), and Wisconsin Women's Business Initiative Corporation (WI).

### **About Appalachian Community Capital**

Appalachian Community Capital is a CDFI lending intermediary created to raise capital for its 34-member CDFIs and other mission-based lenders. The members, in turn, use ACC's capital to fund small businesses in underserved areas in Appalachia, including businesses owned by women and persons of color. The members-many of which have been in operation for more than 20 years-and their affiliates manage over \$2 billion in assets supporting economic development in Appalachia.

### **About Veteran Loan Fund**

Veteran Loan Fund is an online platform that connects military veterans and their spouses with mission-focused business lenders and education partners. The VLF mission is to solve the issues veterans and their spouses face as they pursue entrepreneurship and small business ownership. The fund does this through partnerships with business lenders, education partners, and digital tools specifically created for veteran entrepreneurs. The goal is to scale the fund's impact to address the \$100 million+ shortfall in capital military veterans and their spouses experience when starting or growing their small businesses. Lender partners who are members of the Veteran Loan Fund commit to serving veterans in their area with special loan programs and incentives.

For more information, please visit <https://www.veteranloanfund.com> or <https://appalachiancommunitycapitalcdfi.org/>