

# Fueling California's Economic Growth

Hispanic business owners are poised to become a significant driver of California's future economy.



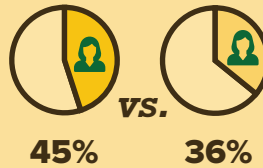
Hispanics are the fastest growing racial and ethnic segment of the U.S. population and are demographically younger than the U.S. population as a whole.

**Latinos currently make up 38% of California's population, and by 2050, nearly half of Californians are projected to be Latino.**

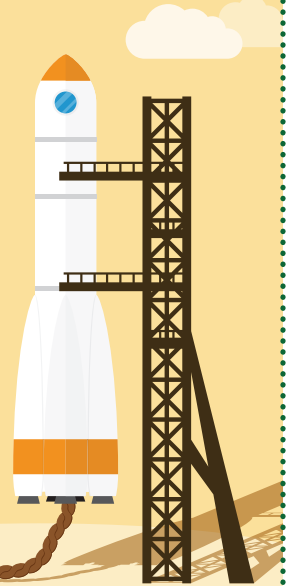


Latino-owned businesses increased **46%**

despite Latino population growth of only 17%. Almost a quarter of California's small businesses are Latino-owned.



Latinas make up a larger portion of the Hispanic small business market than women in the non-Latino market.



## ACCESS TO CAPITAL is critical to unlocking the economic potential of the Latino small business sector.



**Over 25%** of Latino immigrant-owned businesses have **zero startup capital** when they launch.

*This is a higher percentage than any other racial/ethnic sub sector.*



Online small business lending in California has dramatically increased over the past decade, including to Latinos. However, online lenders have relatively low borrower satisfaction rates as well as significant evidence of abusive lending practices.



**70%** of Latinos cited **personal savings** as their most common source of capital, followed by **credit cards**.



**9%** of SBA 7(a) loans in 2016 went to Hispanic-owned businesses, representing 6% of the total dollar value of lending.

## COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS are vitally important in filling these small business lending gaps.

Mission-driven, U.S Treasury-certified Community Development Financial Institutions (CDFIs) that provide access to culturally-relevant services and responsible loan products for Latino-owned small businesses in California are critical. CDFIs help to meet immediate credit needs and to create the credit history that can bridge businesses to mainstream financial institutions for future lending opportunities.



Read the complete report here: [www.cdclloans.com/about-us/cdc-in-the-news](http://www.cdclloans.com/about-us/cdc-in-the-news)



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