

# Frequently Asked Questions

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Below are some commonly asked questions about Accessity's small business loan program. If you don't see the answer to your question below, feel free to send us a note or give us a call through our [contact page](#).

## *Q: Where is Accessity located?*

**A:** Accessity main office is in the Joe and Vi Jacobs Center in San Diego, California, with regional offices located in partner locations in the Inland Empire and Imperial Valley. We currently provide business loans throughout Imperial, Riverside, San Bernardino, and San Diego counties. We have representatives in all service areas. We require the applicant and the business to be located in the areas of service.

## *Q: Are Accessity's offices open during the pandemic?*

**A:** Accessity is open for business and never ceased operations during the COVID-19 pandemic. Our offices are not open for in-person services currently, and our staff is working remotely, but we are available via phone, email, and text. Our main office number is 619-795-7250.

## *Q: What loan products does Accessity offer?*

**A:** Accessity currently offers several loan products:

- Rapid Loan - \$300-\$8,000
- Microloan - \$8,001 to \$50,000
- Small Business Loan - \$50,001 to \$100,000
- COVID-19 Relief Loan (*through the California Rebuilding Fund*) - \$2,000 to \$50,000

## *Q: What are Accessity's interest rates?*

**A:** Accessity's interest rates range from 6.99% to 18.99%, depending on the overall business strengths situation and risk analysis. A 1% discount is available to veterans and active service members. COVID-19 relief products currently have lower interest rates of 4.25% or below to assist business owners during this critical time.

## *Q: What are Accessity's loan terms?*

**A:** Accessity's loan terms range from 6 months to 72 months. Typically, the amount approved, type of loan, and risk factors will determine the loan term.

## *Q: Does Accessity lend to start-up businesses?*

**A:** Yes. We will work with start-up businesses. Applicant must have another source of income, show repayment ability, and have experience in the industry.

### ***Q: What does Accessity consider to be a start-up business?***

**A:** Accessity considers a business to be a start-up if it has not generated revenue or generated revenue for less than six months. A business plan, a minimum of 12-month financial projections, and a steady source of income are required to qualify for this product. The business must be a registered legal entity.

### ***Q: If I do not qualify for the amount I am requesting, will Accessity offer me a lower amount?***

**A:** Accessity's offer will depend on your capacity to make the monthly loan payments and the purpose of the loan. If you do not qualify for the amount you are requesting, Accessity may offer you a lower amount if it works for the determined purpose. Accessity's loan application provides a field where you can state the minimum amount you require.

### ***Q: What is the minimum credit score to qualify for an Accessity loan product?***

**A:** Accessity does not have minimum credit score requirements. Applicants must be current on their credit and show the capacity to make the monthly loan payments.

### ***Q: How long does it take to get approved for an Accessity loan?***

**A:** Once the client file is complete with all the required documentation, our Rapid Loan and COVID-19 Relief Loan will take about three days to be approved and disbursed. A regular fully underwritten loan takes two-to-three weeks to be approved.

### ***Q: How long does it take to receive the funds after an Accessity loan is approved?***

**A:** Accessity disburses the funds within 24-48 hours after the signing of the loan documents.

### ***Q: What are the closing costs of Accessity loans?***

**A:** Under \$5,000, the closing cost vary. From \$300 to \$999, the closing cost is 5% of the loan amount. From \$1,000 to \$2,500, the closing cost is \$50. From \$2,501 to \$5,000, the closing cost is \$75. Accessity's average closing fee on all loans over \$5,000 is approximately 6%. A portion of 2%-4% of this fee represents the loan guaranty or the loss reserve contribution. The remaining 3%-4% represents that administrative fee for processing the loan. COVID-19 relief loans have low or zero closing fees depending on the program offered.

### ***Q: When do I have to pay the closing costs and are the closing costs financed into the loan?***

**A:** No, Accessity's closing costs for our regular loan program are not financed into the loan and are due when the loan documents are signed. We collect them before the loan funds are disbursed. Some special programs relating to COVID-19 relief and recovery may have the closing costs financed into to the loan depending on the program offered.

### *Q: Does Accessity requires collateral?*

**A:** Accessity does not require collateral on loan requests below \$50,000; however, pledging a paid-off vehicle as collateral may provide strength and be a mitigating factor on a particular loan request. Accessity requires 30% collateral coverage in the form of paid-off vehicles for loan requests of \$50,000 and above. Accessity customarily files UCC-1 on all business assets once the loan is disbursed.

### *Q: Does Accessity accept real estate as collateral?*

**A:** No, Accessity does not accept real estate as collateral, only vehicles, and business assets.

### *Q: Does Accessity give lines of credit or personal loans?*

**A:** No. Accessity only provides term small business loans.

### *Q: Does Accessity provide Small Business Administration (SBA) loans?*

**A:** No. The State of California Guaranty program guarantees 80% of Accessity loans, not the SBA. Loans below \$15,000 are enrolled in the California Capital Access Program loan loss reserve. The SBA is not a lender but a federal agency that provides loan guarantees.

### *Q: Does Accessity provide help with credit and budgeting?*

**A:** Yes. Accessity assists potential and existing clients with credit and budgeting through our partnership with Trust Plus and their financial wellness programs. Ask your Accessity representative how to enroll in this service.

### *Q: Does Accessity report to credit agencies?*

**A:** Yes, Accessity reports to Experian to assist our clients in establishing or rebuilding their personal credit history. We do not report to the Business Credit bureau, and Accessity loans do not help build business credit.

### *Q: Are there any industries Accessity cannot lend to?*

**A:** Due to our agreement with the state guarantee program, Accessity cannot lend to liquor businesses, tobacco or cannabis-related businesses, adult entertainment, gambling, and businesses related to war and weapons. Additionally, due to organizational policy, we do not lend to art galleries, car dealerships or rental, commercial brokers and lenders, real estate investments, nonprofit organizations, short-term vacation rentals, and businesses related to animal reproduction.

### *Q: Where does Accessity get funding?*

**A:** Accessity receives the bulk of its funding from banks under the Community Reinvestment Act, requiring a certain percentage of their funds allocated to low-to-moderate income neighborhoods. Banks provide both grants and low-interest loans. We also receive grants from foundations and corporations, the City of San Diego, the federal government, and donations from generous individuals.

### *Q: Does Accessity provide training to small business owners in addition to loans?*

**A:** Accessity offers a community of support through our partnerships with the Small Business Development Center (SBDC) and SCORE. They provide free one-on-one business counseling to clients and interested applicants virtually via Zoom. Accessity staff also provides basic financial, business, and credit training to its clients. We have various partnerships with [Brewing the American Dream](#), [TrustPlus](#) and the [Eva Longoria Foundation](#) that clients can get access to free educational advice. In addition, Accessity hosts free educational webinars throughout the year and two eight-week business training programs in English and Spanish for entrepreneurs, the [Accessity Academy](#) and [Academia de Accessity](#).

### *Q: Why are Accessity's interest rates higher than banks?*

**A:** Accessity's interest rates are fixed and based on the overall strength of the applicant. We seek to give access to capital for those who may not qualify through traditional financing institutions for reasons such as lack of credit history, collateral, or business operating history. Our rates may be higher due to the smaller loan sizes we provide and the additional risk we take on our loans. They are competitive in the marketplace.

### *Q: How does Accessity cover its administrative cost?*

**A:** The paid principal of the loans recycles directly back into our loan fund to provide another loan. The interest and administrative fees paid on the loan are used for our program administration. We are also awarded grants from the City of San Diego, the Department of Treasury, banks, foundations, and individuals specified to supplement our program costs. The organization is approximately 55-60% self-sufficient.

### *Q: How does Accessity reach potential clients?*

**A:** Accessity has relied on very little advertising in its 27 years and focuses mainly on grassroots marketing and establishing relationships within the community. Many clients are referred to our program by community organizations, current or past clients or banks. Accessity staff does its best to be present at as many community events and meetings where we can reach potential clients and get the word out about our services. We are also fortunate to have a relationship with morning news station KUSI-TV where we are featured with one client per month for about 5-7 minutes.

### *Q: What is Accessity's repayment rate?*

**A:** Repayment rates have historically been 93-97%. Accessity's holistic and hands-on approach and the relationships we build with our clients help maintain a high repayment rate.