

# Black Business Month Activities Need to Continue Past August so Lenders Don't Miss Market Growth Opportunities says HCA

WASHINGTON, DC, USA, August 30, 2024 /EINPresswire.com/ -- August is Black Business Month, and as business momentum begins for September, the [Homeownership Council of America \(HCA\)](#) is calling attention to missed market growth opportunities and innovation by financial lenders who are not implementing Special Purpose Credit Programs (SPCPs) for black and minority-owned small businesses.

"HCA is focused on closing the wealth gap among people of color, and providing resources that support small businesses helps achieve this. Lenders are missing out on tapping into new market opportunities, as small businesses are one of the main drivers of the American economy; they are the heartbeat of innovation, job creation, and building communities. Yet black entrepreneurs and other minority business owners face challenges when applying for loans. We have seen strong growth among our lender partners who are deploying SPCPs in the mortgage space, and as small businesses are another major driver to build wealth for Americans, we don't want lenders to miss out on the opportunity to do something similar to grow small businesses and consumer lending," says Homeownership Council of America (HCA) CEO Gabe del Rio.



Black small businesses



Homeownership  
Council of America

Homeownership Council of America

**EQUITY=Y**

**CERTIFIED PROGRAM**

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Special Purpose Credit Programs (SPCPs) make qualifying for a loan more accessible for people from underserved populations. They are also authorized by the Equal Credit Opportunity Act (ECOA) and Regulation B. These targeted initiatives are essential in combating the persistent racial biases and systemic barriers that continue to hinder America's economic growth and access to capital for Black entrepreneurs and other minority business owners.

SPCPs are a powerful tool in addressing inequities. By designing credit programs specifically tailored to meet the needs of minority business owners, SPCPs can help bridge the gap in access to capital and provide opportunities for growth and success. These programs offer a structured way for financial institutions to extend credit to underserved communities, mitigating the impact of bias, helping the overall economy grow, and contributing to leveling the playing field.

"We have found little has changed since one year ago when in July 2023 bankrate.com published minority business owners struggled to access capital with 35% of White applicants getting all of the financing they applied for, compared to Black business owner applicants which stood at 16%. This difference signifies missed market opportunities. We'll be attending The Mortgage Collaborative's September conference in Denver, Colorado, and the Mortgage Bankers Association annual conference in October regarding mortgage SPCPs and also support lenders interested in accessing opportunities with small businesses. Also, the U.S. Small Business Administration office of Advocacy reported, 15 percent of African-American entrepreneurs did not apply for credit because they expected to be rejected, compared to 4 percent of White entrepreneurs. says Don Nash, VP of programs at HCA.

\*Data sources: <https://www.bankrate.com/loans/small-business/racial-biases-impact-loan-approval-for-minority-business-owners/>  
[https://advocacy.sba.gov/wp-content/uploads/2022/05/Research-Summary -African-American-Entrepreneurs-508c.pdf](https://advocacy.sba.gov/wp-content/uploads/2022/05/Research-Summary-African-American-Entrepreneurs-508c.pdf)

To help lenders understand the value and benefits of Special Purpose Credit Programs (SPCPs), HCA has created [CLIMB](#). This flagship technical assistance program guides lenders through the process of establishing SPCPs, ensuring they meet all necessary compliance requirements. And how to effectively take them to market.

For those lenders that do have an SPCP, we've created [Equity Certified](#), which is a certification that helps consumers instantly identify that the SPCP is verified and helps lenders market their SPCPs.

To learn more, visit:  
[homeownershipcouncil.org/climb-with-hca](http://homeownershipcouncil.org/climb-with-hca)  
[equitycertified.org](http://equitycertified.org)

-ENDS-

About Homeownership Council of America:

HCA's mission is to build more equitable access to credit for America's underserved communities.

A 501c3 Nonprofit Corporation, founded in 2005. It is the only national nonprofit dedicated to closing the wealth gap through well-designed credit products, programs, and delivery systems. We envision a future without wealth gaps for BIPOC, women, LGBTQ, and other underserved people where the American Dream of home and business ownership thrives. We aim to close the wealth gaps that exist across various demographics in America, including racial, ethnic, gender, and other underserved groups.

To learn more about HCA, visit: [homeownershipcouncil.org](https://homeownershipcouncil.org)

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