

# PATHWAY LENDING

## NASHVILLE, TENNESSEE

Created in 1999, Pathway Lending (PL) is a certified Community Development Financial Institution (CDFI) with a mission to provide underserved businesses with lending solutions and educational services that result in job creation and economic development. The organization operates statewide in Tennessee, primarily serving low- and moderate-income communities, CDFI Investment Areas, and other targeted populations, including minority-owned businesses.

PL creates financial products that support community revitalization strategies and meet a variety of capital needs, including business expansion, equipment and real estate purchases, working capital needs, and energy efficiency improvements.

PL lending has grown by more than 25 percent over the last five years. To support this, the organization has expanded partnerships and increased internal capacity. In 2012, it deployed \$15.7 million in loans. Since inception, PL has originated 616 loans, totaling \$76.8 million. Product flexibility, the availability of technical assistance, and close working relationships have kept 2012 loan loss ratios to 1.52 percent, much lower than the industry average of 4.0 percent.

PL is also a key provider of technical assistance in its target market; in 2012, PL provided 1,442 hours of technical assistance to clients and applicants and 587 hours of general education through one-on-one sessions, group meetings, and webinars. By taking a “lifecycle” approach, PL makes its technical assistance services available from application to graduation. Its advisory assistance includes coaching services focused on strategic growth. PL’s technical assistance is action-oriented and is focused on delivering real results.

Through 2012, PL has received five awards from the CDFI Fund, totaling \$4.6 million. These funds have helped to launch and expand PL’s financial offerings to address unmet capital need among small businesses and support job creation and economic development throughout Tennessee.



## CHARTER OAK ENDODONTIC

Dr. Tamara L. Griffin had practiced dental medicine for eight years before launching her own practice, Charter Oak Endodontic, in 2008. This African American- and woman-owned business is located in the Main Street corridor of rural Dickson, Tennessee.

Dr. Griffin came to PL after researching lenders focused on supporting the growth of rural businesses. Soon, she realized that the organization was a perfect fit for the needs of Charter Oak Endodontics.

Since 2008, Dr. Griffin and Charter Oak Endodontic have benefited from PL loans for working capital, leasehold improvements, and equipment purchases that allowed the practice to continue to grow. A portion of these loan funds came from the CDFI Fund and were used to support of PL’s initiative to revitalize rural retail businesses. In fact, over the years, PL has provided Charter Oak Endodontics with five microloans, totaling nearly \$134,000. PL also provided Dr. Griffin with the technical assistance she needed to ensure better cash flow management and accounting systems. With this support, Charter Oak Endodontic has been able to hire five full-time employees.

Dr. Griffin describes her experience with PL by saying, “We have a mutually beneficial relationship, based on one-on-one attention—something many lenders do not provide.”

## CONTACT

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## Pathway Lending BY THE NUMBERS

(2000 TO 2012)

→NUMBER OF BUSINESSES  
ASSISTED: 331

→NUMBER OF HOURS OF  
TECHNICAL ASSISTANCE  
PROVIDED: 19,459

→NUMBER OF INDIVIDUALS  
RECEIVING TECHNICAL  
ASSISTANCE: 1,440

→TOTAL DOLLAR AMOUNT  
LOANED: \$76.8M

→SERVES COMMUNITIES  
THROUGHOUT TENNESSEE

**CDFI**  
COALITION  
WWW.CDFI.ORG