South Carolina Community Loan Fund conducted a survey in June 2019 in an attempt to better understand the demand for community development financing in our state. Community members from across the state provided feedback about projects in various stages of development, the challenges they face in securing financing, and the resources they need to bring these projects to market.

The majority of community development projects are not adequately financed.

The reasons for the gap in financing vary.

Respondents’ top three barriers to financing:

› Startup status
› Insufficient equity
› Didn’t know how to apply

Accessing technical assistance is critical to successfully financing projects.

57% of respondents who successfully secured financing for their project accessed technical assistance services before or during the application process.

The barriers to capital access include wealth, knowledge, and opportunity gaps rooted in generations of disinvestment. Access to technical assistance helps close the gaps and bring more community development projects to market.

Estimated three year demand

Demand survey respondents estimated loan requests over the next three years would total $58MM. Over half of the estimated loan requests, $26.8MM, would be made in 2020-this indicates that the need for capital is more pressing than ever.

Community development trends: while the community development landscape changes, the trends show the demand for capital has grown or remained consistent throughout South Carolina.

Three year demand pipelines:

Insufficient equity is the most persistent barrier to financing, appearing in the top three barriers list every year since 2017.

Percentage of inadequately financed projects:

68% of survey responses indicate they are likely to pursue financing with SCCLF within three years.

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