



Financial Empowerment Center

*Free One-on-One
Financial Counseling*



Metropolitan Government of
Nashville and Davidson County



SMART Goals

Everyone should identify SMART short-term and long-term financial goals.

Specific

Measurable

Actionable

Realistic

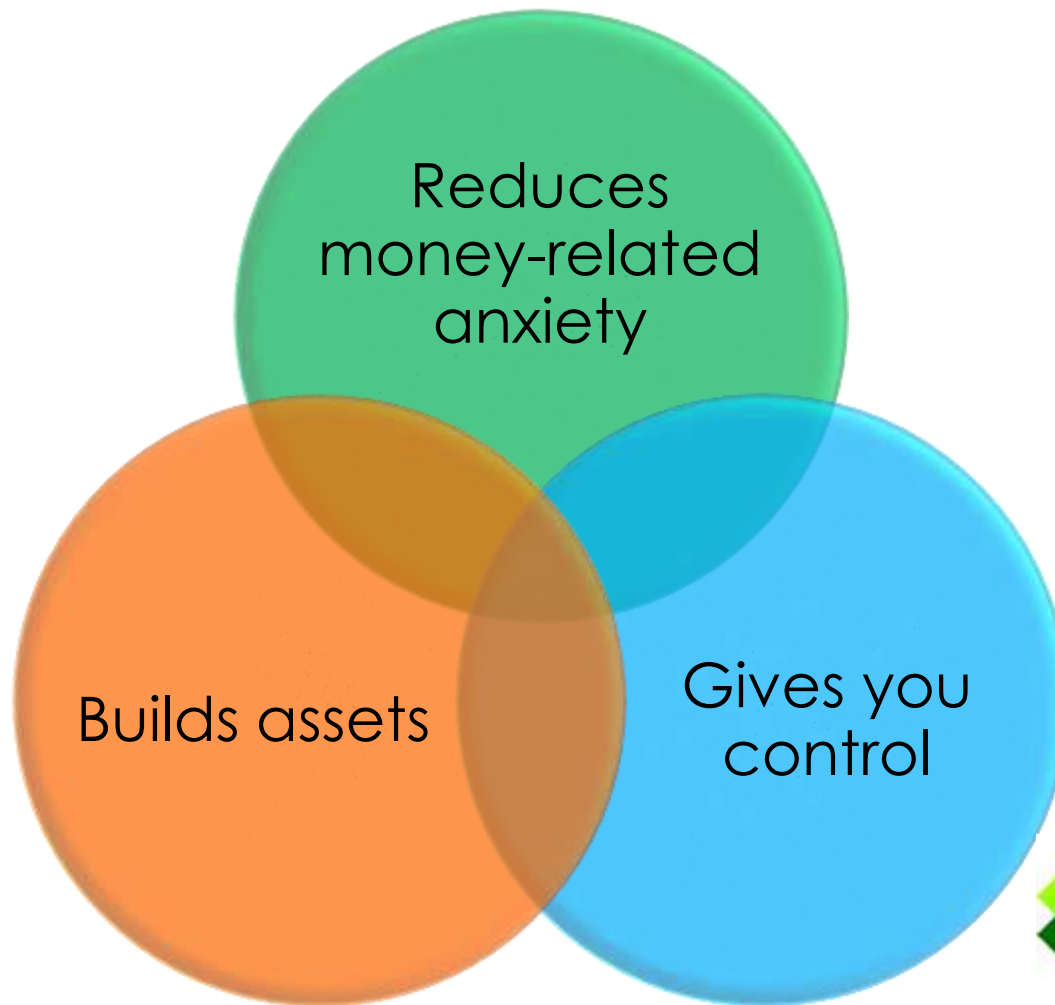
Time-based



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Benefits of Budgeting





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Emergency Fund

- Before anything, save up \$500 to \$1,000 in a savings account
- Put money in a jar so you can see it

*** 41% of people
reported having no
savings fund of any kind**





Why Credit is Important

Financial
Services

Employment

Housing

Emergency
situations

Large
Purchases

Why Credit is Important

Without access to safe and affordable credit, it is difficult to achieve and maintain financial independence and stability.



Paid every 30 days
If paid in full there is NO
INTEREST



Over 400% APR
Cycle of debt

Why Credit Building?

Increases Cash Flow and Savings

	\$10,000 Auto Loan 5 Yr. Term	
Score	Interest Rate	Monthly Payment
500	17%	\$249
620	11%	\$217
720	3%	\$182

Potential Savings
each month: \$67, over 5 years: \$4,020

Why Credit Building?

Increases Cash Flow and Savings

	\$100,000 Mortgage 30 year fixed	
Score	Interest Rate	Monthly Payment
<620	N/A	N/A
620	5.6%	\$1,153
760	4%	\$960

Potential Savings
each month: \$193, over 30 years: \$69,480

Financial Education with New Americans



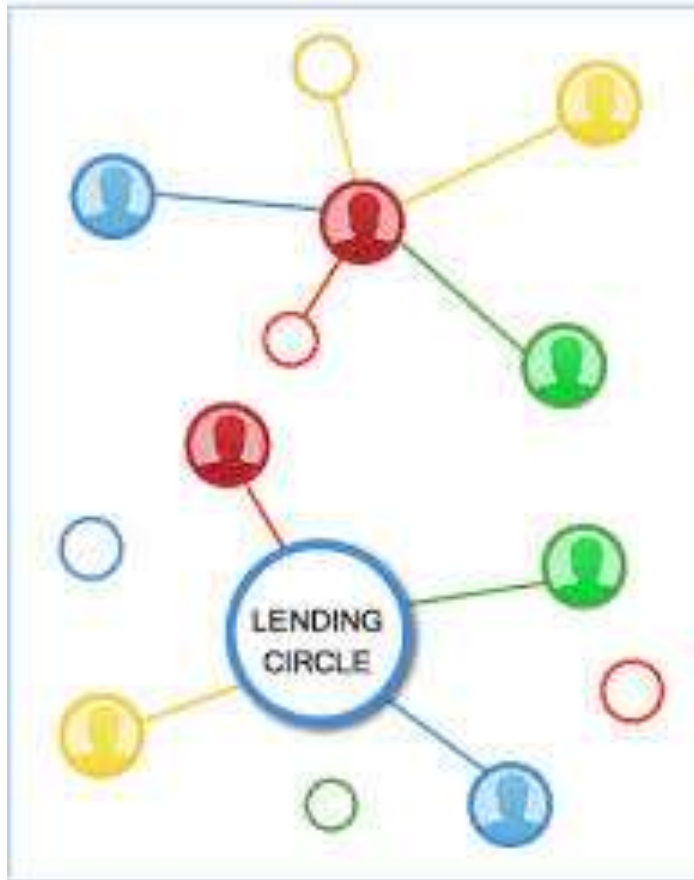
Challenges for Underserved Populations

- **no or low credit histories**
 - they are not connected with a mainstream savings or checking account
 - makes it much tougher to get a traditional credit card or bank loan.

Barriers to Mainstream Banking

- **Allowed to apply for credit products regardless of citizenship status, however...**
 - Acceptable forms of proof of ID are limited
 - Tax Identification Number (ITIN, SSN) is necessary
 - Merging original ITIN history with new SSN benefits
 - Fears associated with mainstream banking
 - Lack of trust
 - Religious Beliefs

Alternatives



New Americans have found their own alternative to mainstream banking in Tandas and Lending Circles.