



SMALL BUSINESS DISASTER INTERRUPTION LOAN PROGRAM

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| PURPOSE: | To make small business loans to businesses located in Butte, Tehama, and Glenn counties that have been affected by a federally declared disaster. The loan program is not designed to compete with the SBA Disaster Loan program but will complement it by filling in lending gaps. |
| MIN/MAX AMOUNTS: | \$10,000 - \$100,000 Larger loan requests with alternate rates and terms may also be considered. |
| INTEREST RATE: | Fixed Interest Rate - Prime Interest Rate + 1% (Currently 4.50%) |
| USE OF FUNDS: | Working Capital |
| CASH FLOW COVERAGE: | Historical repayment ability averaging 1.15x must be demonstrated with the last three years' tax returns. |
| BUSINESS HISTORY: | Must be in business a minimum of 2 years. |
| LOAN TERM: | 36-months Alternate terms may also be considered. |
| RE-PAYMENT TERMS: | 6-months interest-only followed by 30-months principal and interest; fully amortized. No pre-payment penalty. Alternate terms may also be considered. |
| ORIGINATION FEE: | The lender's out-of-pocket expenses (credit report, UCC filing, documentation fee, etc.), the fee can be taken from loan proceeds. |
| CREDIT HISTORY: | Acceptable credit history is required. |
| STREAMLINE APPLICATION: | <ol style="list-style-type: none"> 1) Loan Application, including credit authorization, job retention report, and debt schedule. 2) Business Narrative, including management overview and plan to re-start post interruption. 3) Copies of Last 3-Years Federal Business Tax Returns. If 2021 returns have not been filed, 12/31/2021 interim financial statements may be accepted. 4) Interim Financial Statements within 90-days of the application date, including accounts receivable and payable aging's. 5) Personal Financial Statement from all 20% or more owners. 6) Copy of Previous Year Federal Personal Tax Returns for all 20% or more owners. 7) Copy of Driver's License or acceptable government identification. |
| COLLATERAL: | Dependent on available collateral, the strength of credit request, and the size of the loan. At a minimum, a UCC-1 filing will be secured covering machinery, equipment, accounts receivable, and inventory. |
| JOB CREATION/RETENTION: | Due to the disaster, all existing jobs will be counted as retained. |
| CONDITIONS: | <ol style="list-style-type: none"> 1) Loan payment by ACH will be required. 2) All 20% or more owners will personally guarantee the loan. If the loan is made for the benefit of an LLC or Corporation, the LLC or Corporation will also be required to guarantee the loan. 3) Acceptable personal and business credit histories will be required. 4) Additional conditions may apply. |
| CONTACT: | Applicants can contact 3CORE at: www.3coreedc.org . Partner organizations can refer applicants to the 3CORE website or through the Partner Lending Referral at: www.partnerlendingreferralnetwork.com . |