

# ACCESS TO CAPITAL GUIDE

*Find the Loan Product That's Right For Your  
Small Business*

**Department of Small and Local Business  
Development**

**Lee A. Smith III, Director**



# TABLE OF CONTENTS

<b>Page 3</b>	<b>DC Certified Business Enterprise (CBE) Revolving Micro Loan Fund</b>
<b>Page 4</b>	<b>DC Certified Capital Company Program (CAPCO)</b>
<b>Page 5</b>	<b>America's Recovery Capital (ARC) Program</b>
<b>Page 6</b>	<b>SBA Community Express Loan Program</b>
<b>Page 7</b>	<b>SBA Express Loan Program</b>
<b>Page 8</b>	<b>SBA Patriot Express Loan Program</b>
<b>Page 9</b>	<b>SBA Short-Term Loan CAPLines Program</b>
<b>Page 10</b>	<b>SBA 504 / CDC Loan Program</b>
<b>Pages 11-12</b>	<b>Financial Products Table</b>

# DC Certified Business Enterprise (CBE) Revolving Micro Loan Fund

## Program Summary:

The DC Certified Business Enterprise (CBE) Revolving Micro Loan Fund program is aimed at assisting small and disadvantaged businesses, as certified by DSLBD. The loan offers up to \$25,000 of low-interest financing at a rate of a quarter point less than the Prime rate. Repayment terms for the micro loan fund are not to exceed six years. Fees are \$150. The micro loan fund is administered by the Washington Area Community Investment Fund (WACIF). Please see the Financial Products Table on page 11 for the lender's contact information.

## Program Purpose:

- ✓ The DC Certified Business Enterprise Revolving Micro Loan Fund is a financing tool designed to provide access to capital to sustain and expand existing small businesses. By helping businesses maintain and/or increase business activity, the loan product is also intended to create and retain jobs. This loan product is not for start-up businesses.

## Program Eligibility:

- ✓ Current CBE certification with DSLBD
- ✓ Disadvantaged Business Enterprise (DBE) and Small Business Enterprise (SBE) designations, according to DSLBD's CBE certification program
- ✓ Minimum of two years in business
- ✓ For-profit entity
- ✓ Not a franchised (national) business
- ✓ Not a street vendor

## How to Apply:

**Step 1:** Click on:

<http://newsroom.dc.gov/show.aspx/agency/olbd/section/2/release/15742> to link to guidelines, intake form, and application for the DC Certified Business Enterprise Revolving Micro Loan Fund. Contact Will Gist ([william.gist@dc.gov](mailto:william.gist@dc.gov); 202-741-0871) for further assistance.

**Step 2:** Download the intake form, and fax the completed intake form into DSLBD for eligibility verification.

**Step 3:** Upon receipt of eligibility verification, download the application and submit the completed application and requested documentation to DSLBD for evaluation and next steps.

# DC Certified Capital Company Program (CAPCO)

## Program Summary:

Up to \$2 million of small business financing is available to firms that meet program eligibility. Repayment terms, interest rates, and fees are determined on a case-by-case basis. This product is offered at three local financial institutions. Please see Financial Products Table on page 11 for information about participating lenders.

## Program Purpose:

Through the DC Certified Capital Company (CAPCO) program, insurance companies receive a DC tax credit against their premium taxes in exchange for making \$50 million available in long-term equity (and debt) for new or expanding small businesses based in the District of Columbia. Three initial funds will be managed by professional venture capitalists who work to extend credit and loans for the purpose of stimulating the creation of high-wage jobs along with providing an incentive to retain, expand, and attract business in DC.

## Program Eligibility:

In addition to having a product or service with good potential, a sound business strategy, and capable management, companies interested in applying for CAPCO investment must meet the following requirements:

- ✓ Company headquarters and principal operations must be located within the DC
- ✓ 25% of the company's employees must be District residents
- ✓ 75% of the company's employees must work in the District
- ✓ The business must qualify as a "small business concern" as defined by the Small Business Administration's (SBA's) requirements for SBA loan applicants
- ✓ The business must certify that it has attempted and failed to obtain conventional financing
- ✓ The business cannot be engaged in professional services provided by accountants, lawyers, or physicians

## How to Apply:

**Step 1:** Select a CAPCO approved financial institution from the Financial Products Table on page 11.

**Step 2:** Refer to the Financial Products Table, and contact the representative listed with your chosen financial institution. Request a meeting to discuss your business's needs and the CAPCO based-financing loan.

**Step 3:** Execute the required application, and provide the requested documentation for the CAPCO based-financing loan.

# America's Recovery Capital (ARC) Program

## Program Summary:

America's Recovery Capital (ARC) Program provides up to \$35,000 of interest-free financing. ARC loans are not designed for start-ups. Loan proceeds are provided over a six-month period. Repayment of the ARC loan principal is deferred for 12 months after the last disbursement of the proceeds and can extend up to five years. Certain fees for this loan product have been waived until further notice. Please see Financial Products Table on page 11 for information about participating lenders.

## Program Purpose:

ARC loans can be used to make payments of principal and interest, in full or in part, on one or more existing, qualifying small business loans for up to six months. ARC loans provide an immediate infusion of capital to small businesses to assist with making payments of principal and interest on existing debt. These loans allow borrowers to redirect cash flow from making loan payments to investing in their businesses, and as such are designed to help sustain businesses and retain jobs.

## Program Eligibility:

- ✓ Applicant businesses must:
  - ✓ Operate for-profit and be an established business (not a start-up)
  - ✓ Be engaged in, or propose to do business in the United States or its possessions.
  - ✓ Have reasonable owner equity to invest.
  - ✓ Use alternative financial resources first, including personal assets.
  - ✓ Have financial statements demonstrating your business was profitable in one of the past three years.
  - ✓ Be able to project sufficient cash flow to meet current and future loan payments over a two-year period from loan approval.
- ✓ If your business does not meet these criteria, you can discuss your eligibility with your lender.

## How to Apply:

**Step 1:** Select an SBA-approved financial institution from the Financial Products Table on page 11.

**Step 2:** Refer to the Financial Products Table and contact the representative listed with your chosen financial institution. Request a meeting to discuss your business's needs and the ARC loan financial product.

**Step 3:** Execute the required application, and provide the requested documentation for the SBA-guaranteed ARC loan.

# SBA Community Express Loan Program

## Program Summary:

SBA Community Express Loans provide \$25,000 to \$250,000 of low interest financing. Lenders may charge up to the Prime rate plus 2.25% for maturities under seven years and Prime plus 2.75% for maturities of seven years or more, with rates 2% higher for loans of \$25,000 or less, and 1% higher for loans between \$25,000 and \$50,000. Repayment terms will not exceed seven years, except when a longer maturity (up to 10 years) may be needed to ensure repayment. Certain fees for this loan product have been waived until further notice. Please see the Financial Products Table on page 11 for information about participating lenders.

## Program Purpose:

The SBA Community Express Loan Program is designed to assist small businesses located in economically disadvantaged communities. The program partners with SBA-approved technical assistance providers to help small business owners succeed. Technical assistance providers are primarily non-profit community based organizations that support businesses in many aspects, including help with finding a financing solution.

## Program Eligibility:

- ✓ Applicant business must:
  - ✓ Operate for-profit & be engaged in, or propose to do business in the United States or its possessions.
  - ✓ Have reasonable owner equity to invest.
  - ✓ Use alternative financial resources first including personal assets.
  - ✓ Be located in an eligible community:
    - ✓ SBA's Historically Underutilized Business Zones (HUBZones)
    - ✓ Communities identified as distressed through the Community Reinvestment Act (CRA).
- ✓ Other factors include: type of business, use of proceeds, and the availability of funds from other sources.

## How to Apply:

**Step 1:** Select an SBA-approved financial institution from the Financial Products Table on page 11.

**Step 2:** Refer to the Financial Products Table and contact the representative listed with your chosen financial institution. Request a meeting to discuss your business's needs and the Community Express Loan product.

**Step 3:** Execute the required application, and provide the requested documentation for the SBA-guaranteed Community Express Loan.

# SBA Express Loan Program

## Program Summary:

SBA Express Loan Program provides up to \$350,000 of low interest financing. Lenders may charge up to 6.5% over Prime rate for loans of \$50,000 or less, and up to 4.5% over the Prime rate for loans over \$50,000. Repayment terms will not exceed seven years, except when a longer maturity (up to 10 years) may be needed to ensure repayment. Certain fees for this loan product have been waived until further notice. This product is offered at 12 local financial institutions. Please see the Financial Products Table on page 11 for information about participating lenders.

## Program Purpose:

The SBA Express Loan is designed to help small businesses receive financing more quickly than the traditional SBA 7(a) loan program. The program is quick for the borrower because the lender can use their own forms instead of the many SBA forms required for the 7(a) loan. When the lender sends the loan package to the SBA, they will get an answer within 24 to 36 hours.

## Program Eligibility:

- ✓ Applicant business must:
  - ✓ Operate for-profit
  - ✓ Be engaged in, or propose to do business in the United States or its possessions
  - ✓ Have reasonable owner equity to invest
  - ✓ Use alternative financial resources first including personal assets
  - ✓ All business must meet SBA size standards

## How to Apply:

**Step 1:** Select an SBA-approved financial institution from the Financial Products Table on page 11.

**Step 2:** Refer to the Financial Products Table and contact the representative listed with your chosen financial institution. Request a meeting to discuss your business's needs and the SBA Express financial product.

**Step 3:** Execute the required application, and provide the requested documentation for the SBA Express Loan.

# SBA Patriot Express Loan Program

## Program Summary:

The SBA's Patriot Express Loan Program provides up to \$500,000 of low interest financing. The interest rate may be fixed or variable, and lenders and borrowers can negotiate that rate, but lenders may not charge more than 2.25% over the Prime rate for loans of less than seven years, or 2.75% over Prime for loans greater than seven years. Lenders may charge 1% more for loans of \$50,000 or less, and 2% more for loans of \$25,000 or less. Repayment terms will not exceed seven years, except when a longer maturity (up to 10 years) may be needed to ensure repayment. Certain fees for this loan product have been waived until further notice. It is offered at 10 local financial institutions. Please see the Financial Products Table on page 11 for information about lenders.

## Program Purpose:

The SBA's Patriot Express Pilot Loan Initiative is geared towards assisting veterans and members of the military community in establishing or expanding small businesses.

## Program Eligibility:

- ✓ Must be 51% or more owned/controlled by one of the following:
  - ✓ Veteran (other than dishonorably discharged)
  - ✓ Active Duty Military potential retiree within 24 months of separation and discharging Active Duty member within 12 months of discharge (TAP eligible)
  - ✓ Current spouse of above or spouse of service member or veteran who died of
  - ✓ Reservist or National Guard
  - ✓ a service-connected disability
- ✓ Applicant business must:
  - ✓ Be an established business & operate for-profit
  - ✓ Be engaged in, or propose to do business in the United States or its possessions
  - ✓ Have reasonable owner equity to invest
  - ✓ Use alternative financial resources first including personal assets

## How to Apply:

**Step 1:** Select an SBA-approved financial institution from the Financial Products Table on page 11.

**Step 2:** Refer to the Financial Products Table and contact the representative listed with your chosen financial institution. Request a meeting to discuss your business's needs and the Patriot Express Loan.

**Step 3:** Execute the required application, and provide the requested documentation for the SBA-guaranteed Patriot Express Loan

# SBA Short-Term Loan CAPLines Program

## Program Summary:

The SBA Short-Term Loan CAPLines Program provides up to \$2 million of low interest financing. Each of the five lines of credit has a maturity of up to five years, but because each is tailored to an individual business's needs, a shorter initial maturity may be established. Certain fees for this loan product have been waived until further notice. This product is offered at 13 financial institutions in the DC Metro region. Please see the Financial Products Table on page 11 for information about participating lenders.

## Program Purpose:

CAPLines is the umbrella program under which the SBA helps small businesses meet their short-term and cyclical working-capital needs, except the Small Asset-Based Line, can be for any dollar amount that does not exceed SBA's limit. CAPLines funds can be used as needed throughout the term of the loan to purchase short term assets, as long as sufficient time is allowed to convert the assets into cash at maturity.

## Program Eligibility:

- ✓ Eligibility factors include:
  - ✓ Size
  - ✓ Type of business
  - ✓ Use of proceeds,
  - ✓ Availability of funds from other sources
  - ✓ Please visit the following link for specific requirements:  
[http://www.sba.gov/services/financialassistanceintrosbafinance/sbarole/serv\\_eligible.html](http://www.sba.gov/services/financialassistanceintrosbafinance/sbarole/serv_eligible.html).

## How to Apply:

**Step 1:** Select an SBA-approved financial institution from the Financial Products Table on page 11.

**Step 2:** Refer to the Financial Products Table and contact the representative listed with your chosen financial institution. Request a meeting to discuss your business's needs and the SBA Short-Term Loan CAPLine product.

**Step 3:** Execute the required application, and provide the requested documentation for the SBA-guaranteed Short-Term Loan CAPLines product.

# SBA 504 / CDC Loan Program

## Program Summary:

SBA's 504/CDC Loan Program provides up to \$4 million of low interest financing. Interest rates on 504 loans are pegged to an increment above the current market rate for five-year and 10-year U.S. Treasury issues. Repayment terms will not exceed 20 years. Fees total approximately 3% of the debenture and may be financed with the loan. This product is offered at three local financial institutions. Please see the Financial Products Table on page 11 for information about participating lenders.

## Program Purpose:

The 504 / CDC Loan Program provides growing businesses with long-term, fixed-rate financing for major fixed assets, such as land and buildings.

## Program Eligibility:

- ✓ Businesses must be for-profit entities and fall within the size standards set by the SBA. A business qualifies as small if it does not have a tangible net worth in excess of \$7.5 million and does not have an average net income in excess of \$2.5 million after taxes for the preceding two years.
- ✓ Loans cannot be made to businesses engaged in speculation or investment in rental real estate.

## How to Apply:

**Step 1:** Select an SBA-approved financial institution from the Financial Products Table on page 11.

**Step 2:** Refer to the Financial Products Table and contact the representative listed with your chosen financial institution. Request a meeting to discuss your business's needs and the 504 / CDC Loan product.

**Step 3:** Execute the required application, and provide the requested documentation for the SBA-guaranteed 504 / CDC Loan Program.

**FINANCIAL PRODUCTS TABLE**  
**LOW-COST FINANCIAL PRODUCTS IN THE METROPOLITAN DC REGION**

FINANCIAL INSTITUTION	DSLBD PROGRAM	SMALL BUSINESS ADMINISTRATION LOAN PROGRAMS						POINT OF CONTACT
		ARC LOAN	COMMUNITY EXPRESS	SBA EXPRESS	PATRIOT EXPRESS	SHORT TERM LOAN (CAP-LINES)	(504)/ CDC LOAN PROGRAM	
<u>Loan Product:</u>	REVOLVING MICRO LOAN FUND							↓
<u>Loan Amount:</u>	\$15K - \$25K	up to \$35K	\$25k to \$250K	up to \$350K	up to \$500K	up to \$2M	up to \$4M	
DEPARTMENT OF SMALL & LOCAL BUSINESS DEVELOPMENT (DSLBD)	X	--	--	--	--	--	--	Will Gist: 202-741-0871
ACCESS NATIONAL BANK*	--	X	--	X	--	X	--	Rod Johnson: 703-871-7386
BANK OF AMERICA*	--	--	X	X	X	X	--	Rodney Coleman: 202-624-4548 x4 or 877-249-3473
BRANCH BANKING & TRUST (BB&T)	--	X	X	X	X	X	--	C. Earl Peek: 202-835-9234 Chiara Richardson: 202-835-9314
BUSINESS FINANCE GROUP (CDC)	--	--	--	--	--	--	X	Wayne Williams: 703-352-0504
CARDINAL BANK*	--	X	X	X	X	X	--	Clarence Boykin: 571-748-8423
CHESAPEAKE BUSINESS FIN. CORP	--	--	--	--	--	--	X	John Sower: 202-625-4373
DC CERT. CAP. CO. PROG. (CAPCO)	--	--	--	--	--	X	--	Brett Greene: 202-251-0042 John Tyson: 202-253-5081 Douglas Beekman: 202-337-0034
M & T BANK*	--	X	--	X	X	X	--	Yvonne Brady: 202-347-6638
MID-ATLANTIC BUS. FINANCE CO.	--	--	--	--	--	--	X	Tony Hamlett: 800-730-0017

PNC BANK*	--	X	--	X	X	X	--	David Jones: 202-835-5152
SANDY SPRING BANK*	--	--	--	X	X	X	--	Sandra Workman: 301-774-6400 x 6478
SONABANK*	--	X	--	X	X	X	--	Marie Leibson: 540-347-4521
SUNTRUST BANK*	--	X	X	X	X	X	--	Derek Mims: 202-879-6349
TD BANK (COMMERCE BANK)*	--	--	X	X	X	X	--	Kelly Gengoult: 908-237-4767
THE BUSINESS BANK	--	X	--	X	X	X	X	Bob Barton: 703-938-0183 x 223
UNITED CENTRAL BANK*	--	--	X	X	--	X	--	Nasr Khan: 703-891-4101

\* Denotes Preferred SBA Lenders.

X Denotes banks that provide the corresponding loan programs.

-- Denotes banks that do not provide the corresponding loan programs.