

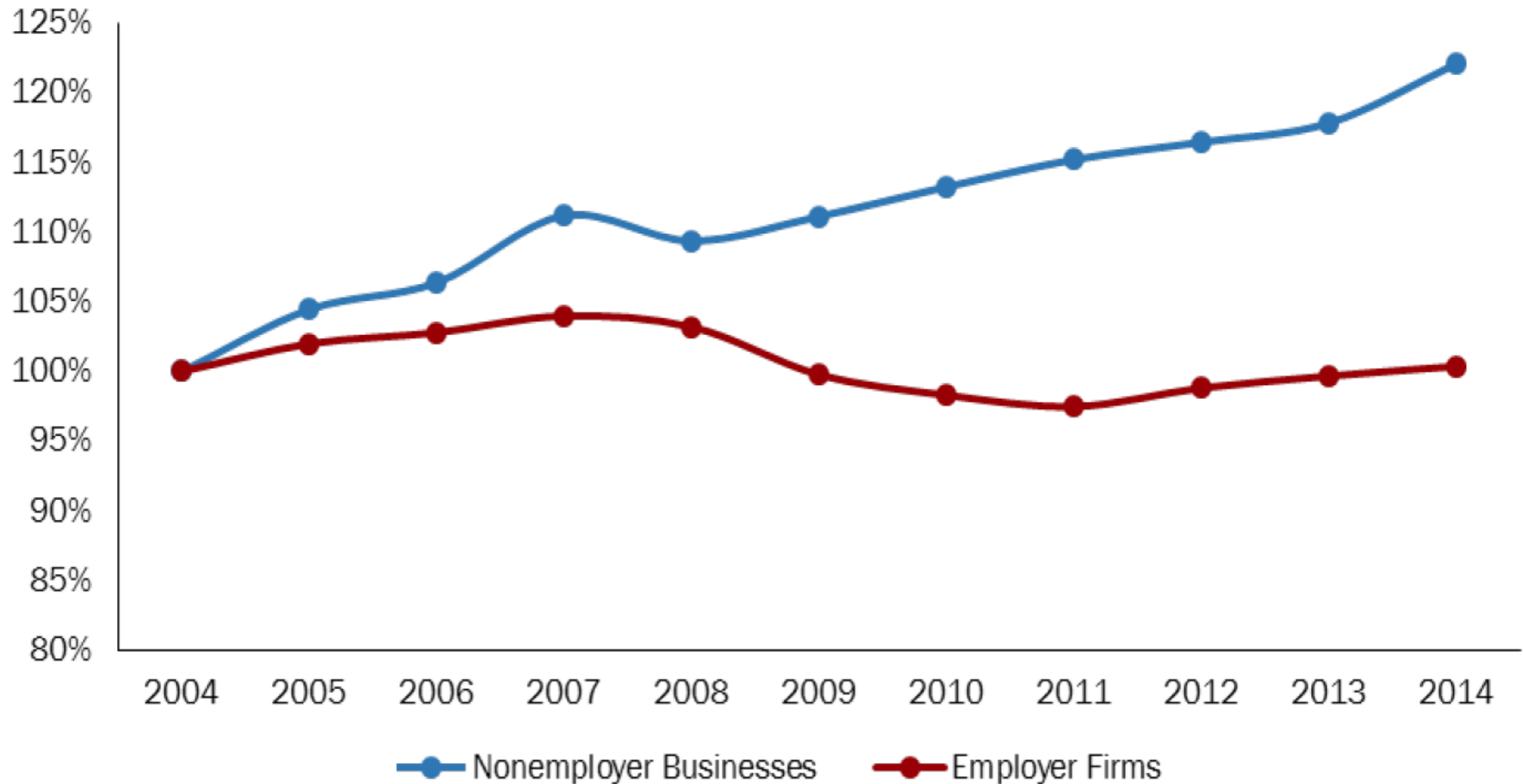
# The Basics of Revolving Loan Funds



*Source: Author's analysis and data from the U.S. Census Bureau.*

*Note: This analysis is based on the work of Mercedes Delgado and Karen G. Mills, "A New Categorization of the U.S. Economy: The Role of Supply Chain Industries in Performance," presented at the Industry Studies Association, Minneapolis, MN, May 2016. <http://www.hbs.edu/faculty/Pages/item.aspx?num=51675>*

*Growth Rates of Non-Employer and Employer Firms (2004-2014, Indexed to 2004)*



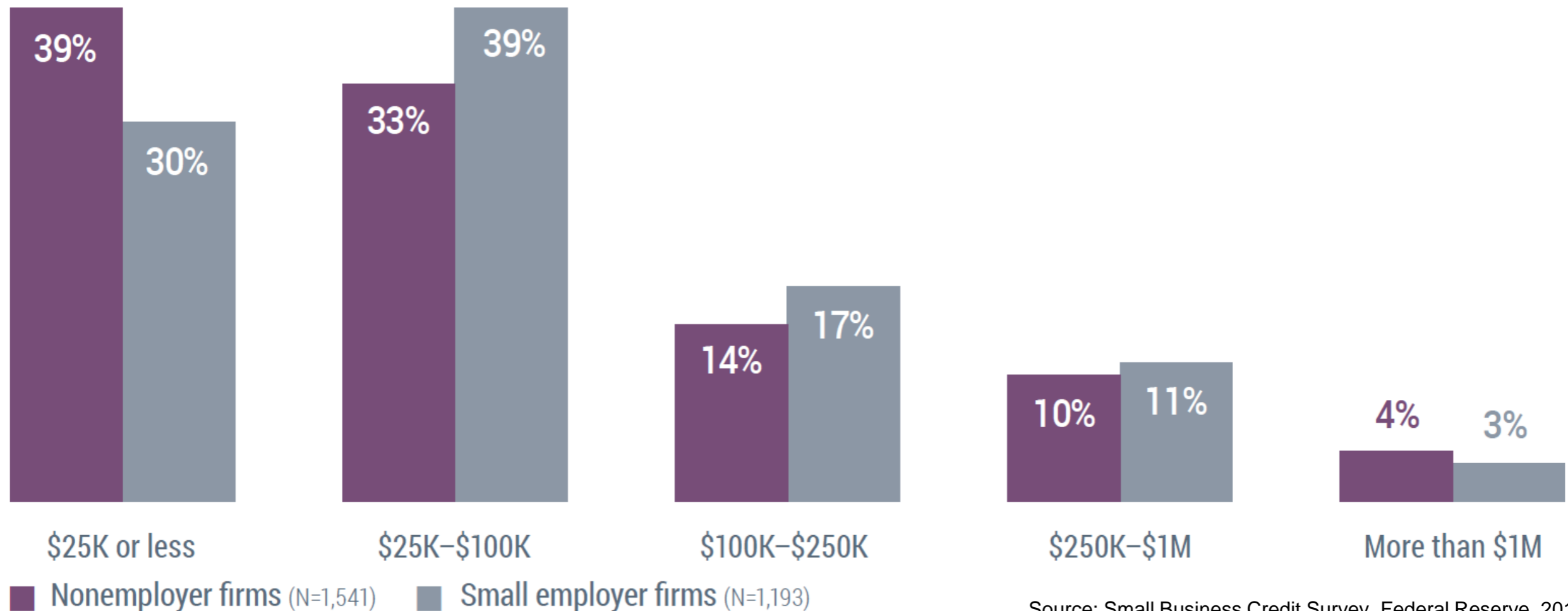
*Note: Author's calculations of U.S. Census Bureau Business Dynamics Statistics data.*

SHARE OF FIRMS THAT SOUGHT FINANCING BY EMPLOYMENT SIZE OF FIRM, *Prior 12 Months*<sup>1</sup> (% of firms)



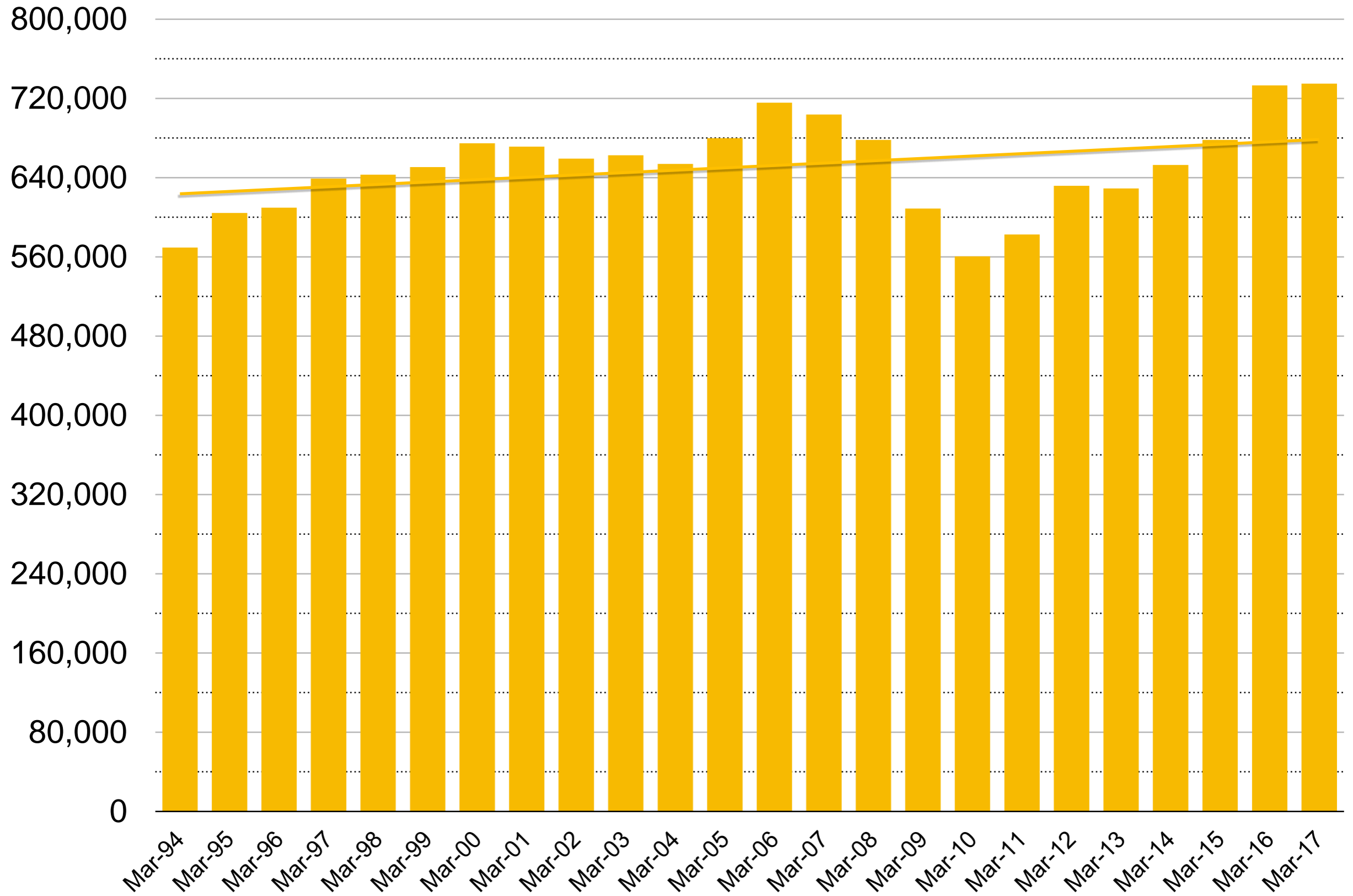
**72% of microbusiness applicants sought less than \$100K in financing.**

TOTAL AMOUNT OF FINANCING SOUGHT (% of microbusiness applicants)



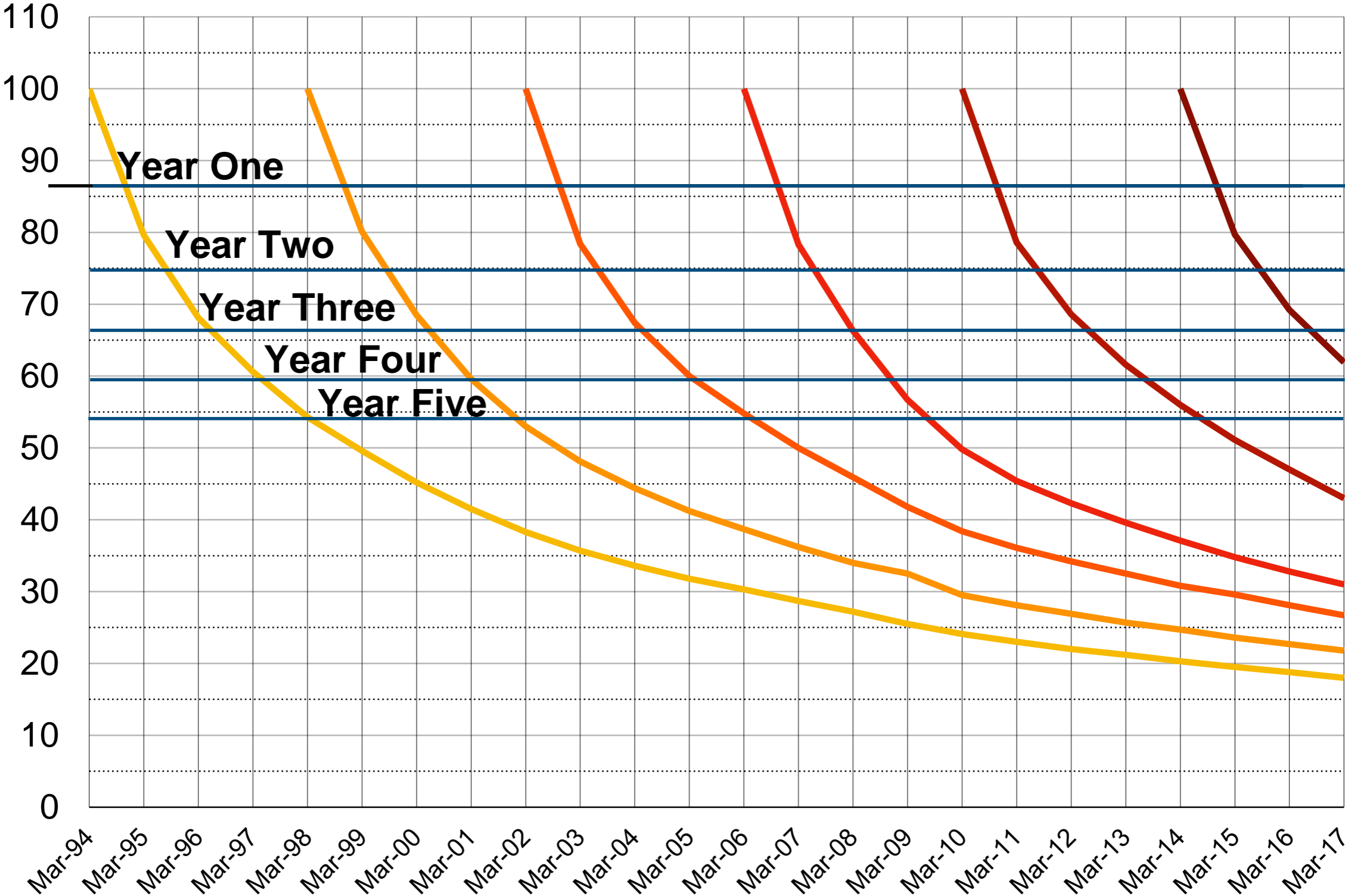
Source: Small Business Credit Survey, Federal Reserve, 2016

# NEW Small Business Employer Startups (# US)

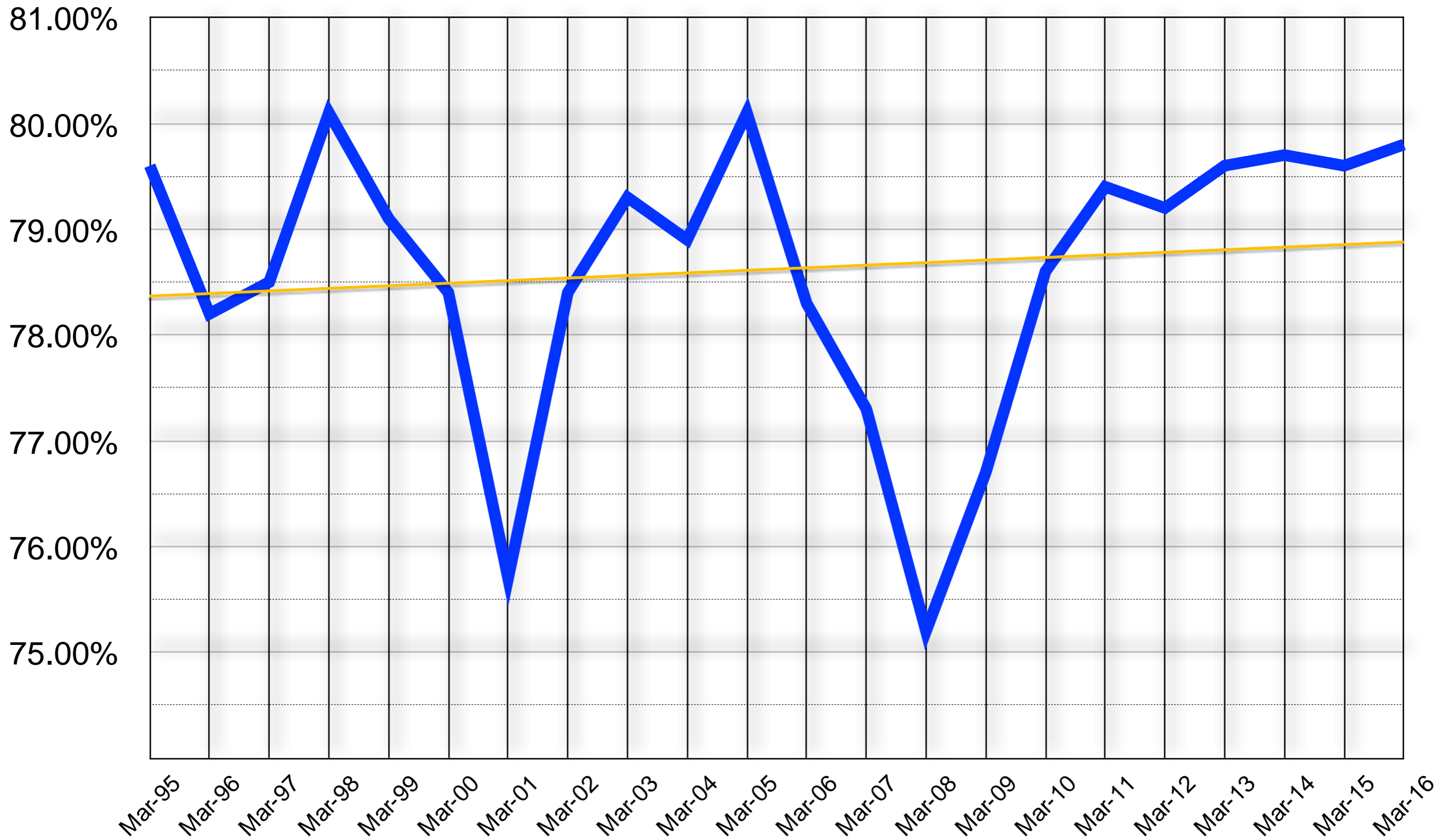


Source: Bureau of Labor Statistics

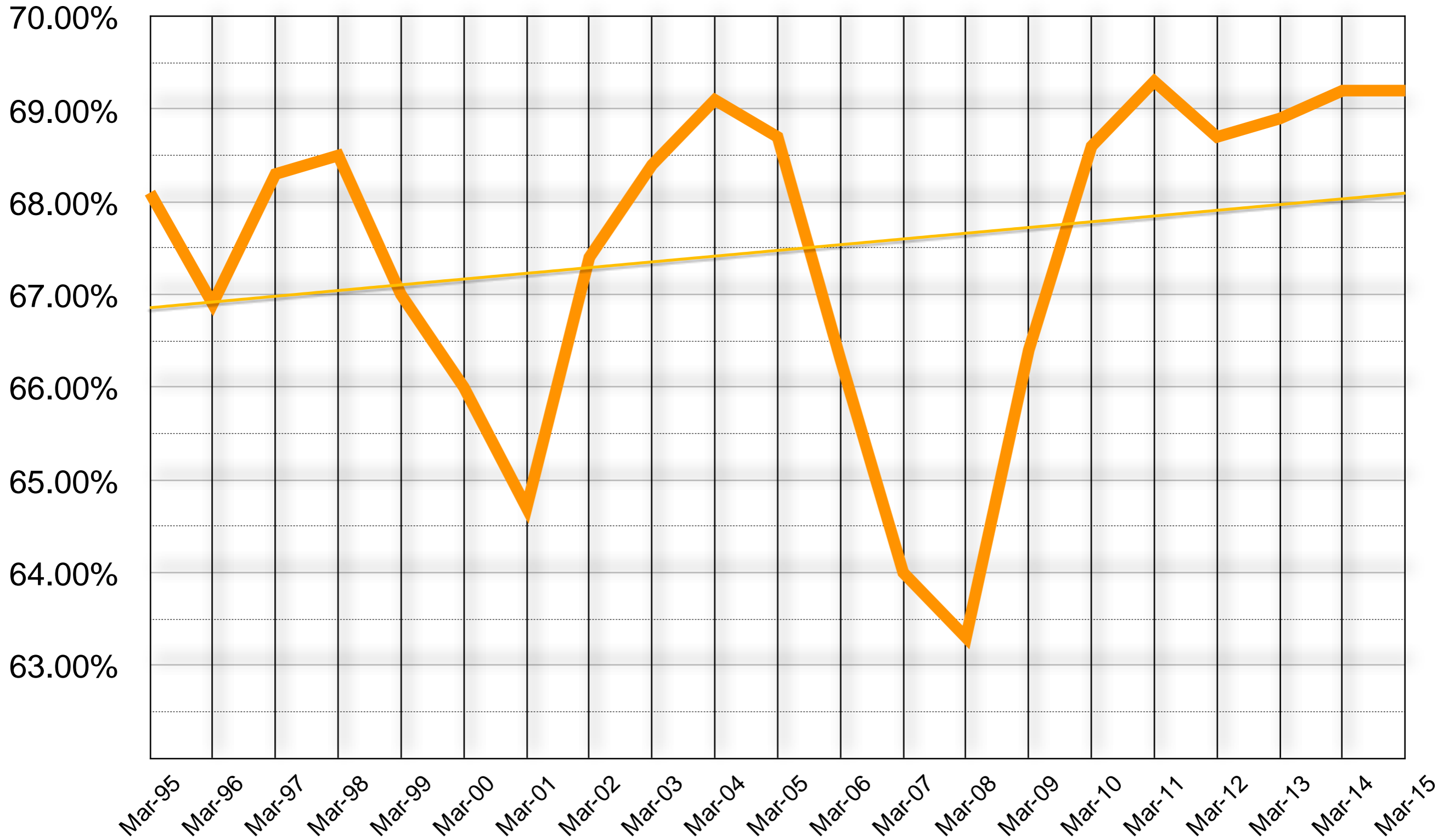
# Survival Rate of Small Business Startups (%) in US by Year of Startup



# Percentage of US Small Business with employees STILL in Business at the end of Year ONE (by year of startup)

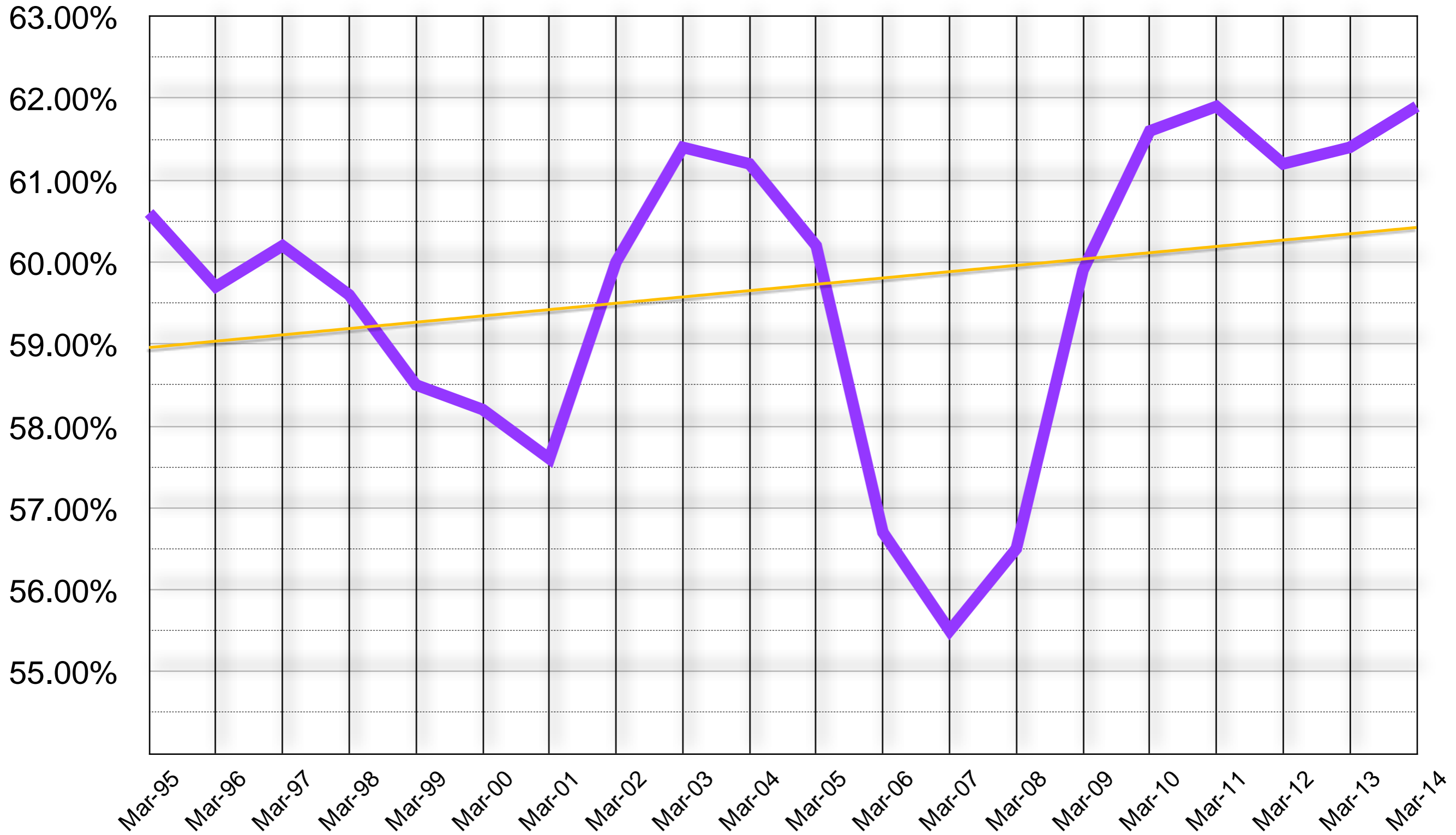


# Percentage of US Small Business with employees STILL in Business at the end of Year TWO (by year of startup)

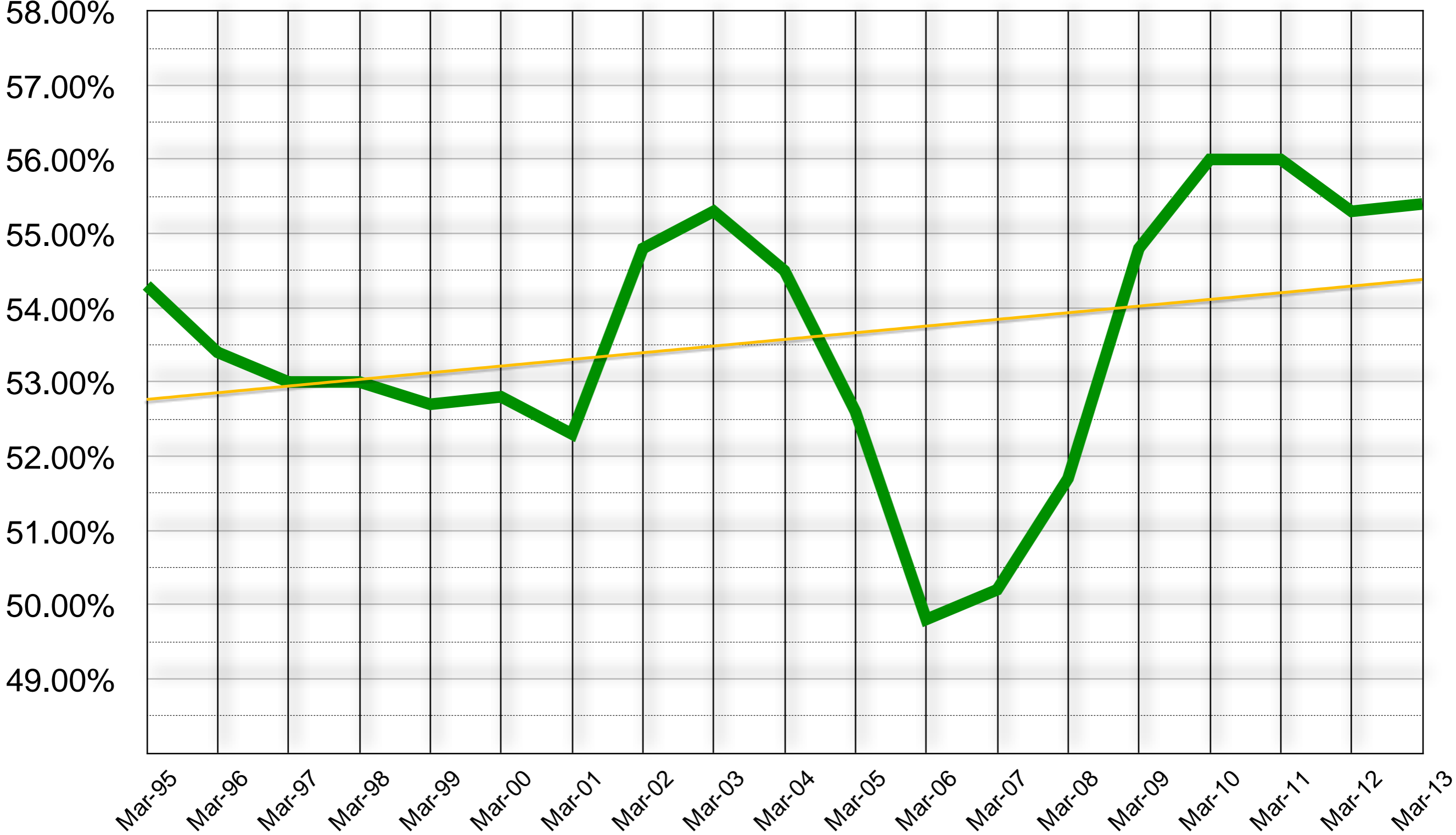




# Percentage of US Small Business with employees STILL in Business at the end of Year THREE (by year of startup)

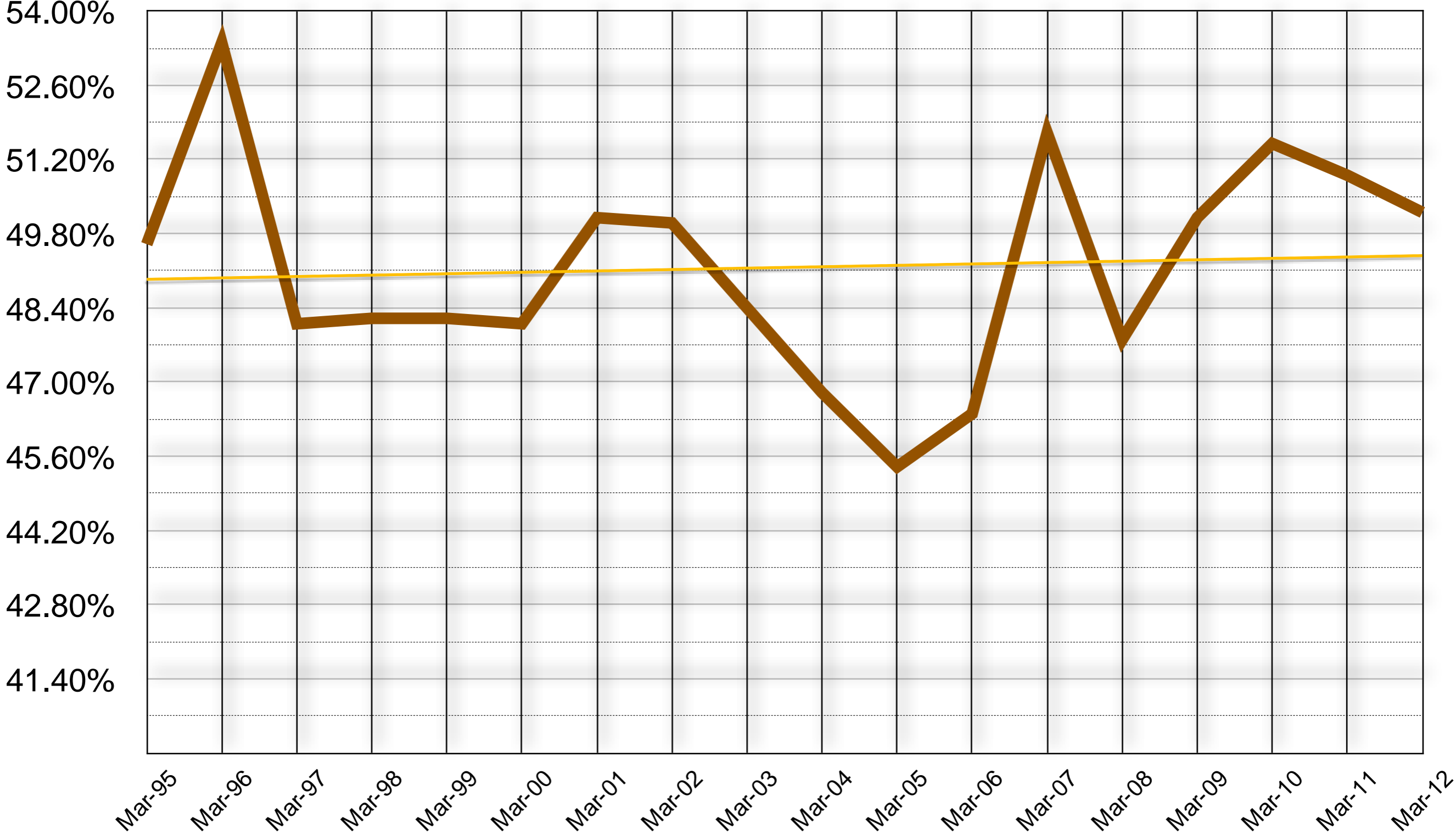


# Percentage of US Small Business with employees STILL in Business at the end of Year FOUR (by year of startup)



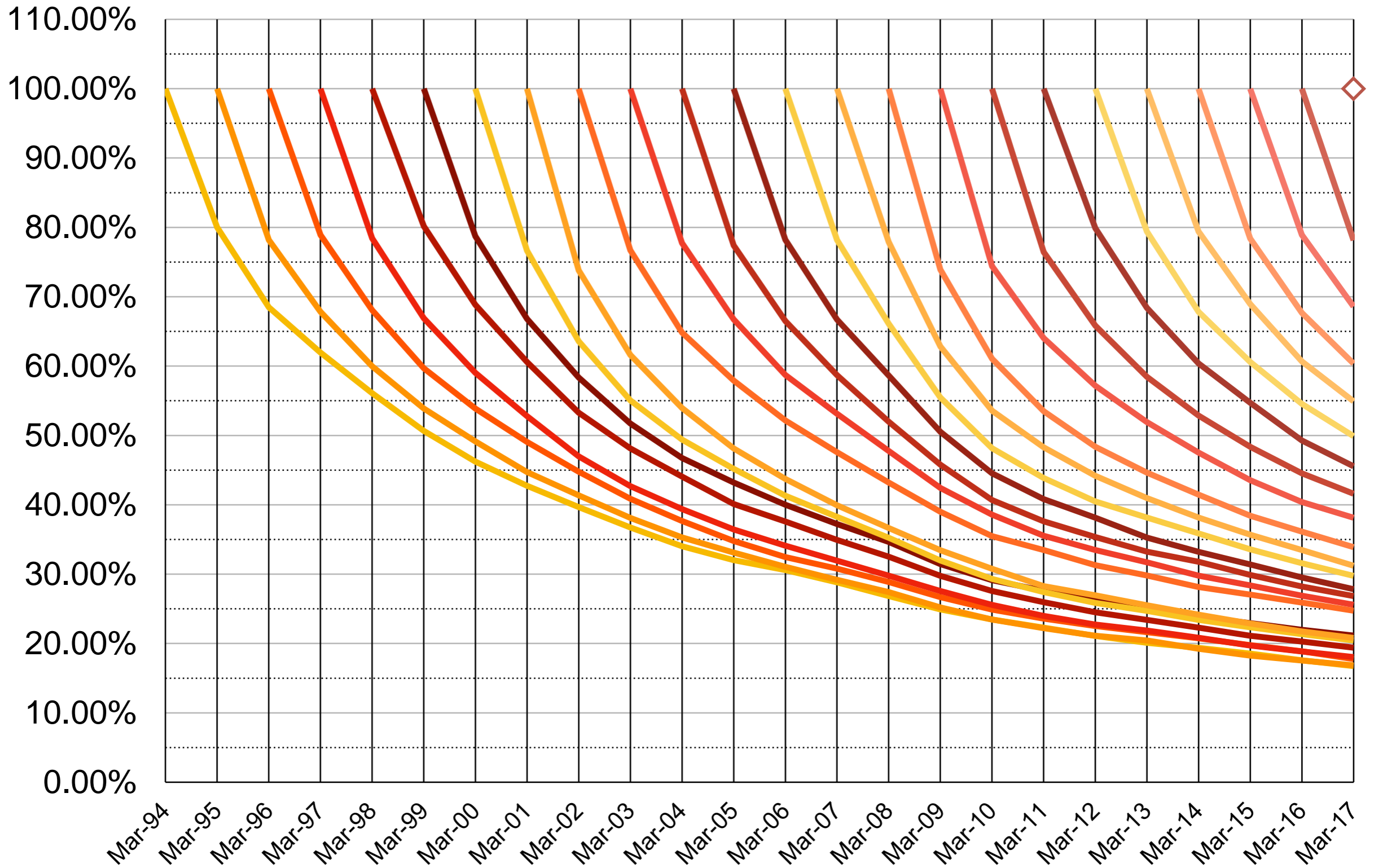
Source: Bureau of Labor Statistics

# Percentage of US Small Business with employees STILL in Business at the end of Year FIVE (by year of startup)

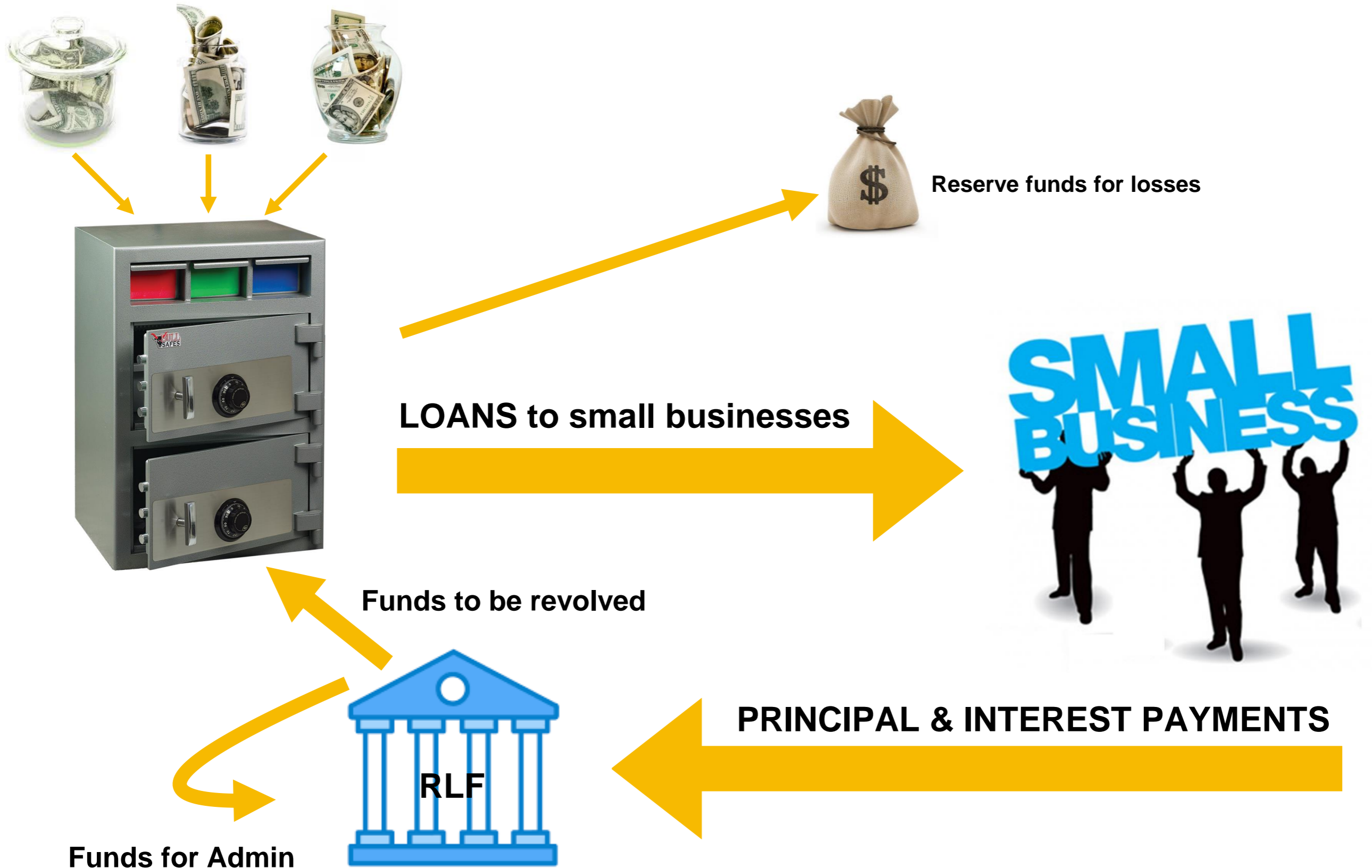


Source: Bureau of Labor Statistics

# Survival Rate of Small Business Startups (%) in Colorado by Year of Startup



# How does a Revolving Loan Fund (RLF) Work?



# What does a Revolving Loan Fund (RLF) Need?

- FUNDS to lend out
- A REASON to lend the funds
- Someone (one or more) to market the program, manage applications, prepare credit write-ups, facilitate approvals, coordinate fundings, receive payments, do servicing actions, and, most likely, liquidate loans
- A credit policy / servicing policy / liquidation policy to guide the RLF



# Why does your Revolving Loan Fund (RLF) Exist?

What is your mission?  
What is your vision?  
What are your values?

