

## Small Business Loan Guarantee Program

<b>PROGRAM</b>	<b>CALIFORNIA SMALL BUSINESS LOAN GUARANTEE PROGRAM</b>
<b>PURPOSE</b>	To encourage banks to make small business loans that otherwise would not be made. Special emphasis is placed on the creation and retention of jobs.
<b>USE OF FUNDS</b>	<ul style="list-style-type: none"> <li>• Working capital</li> <li>• Equipment purchases</li> <li>• Inventory</li> <li>• Contract financing</li> <li>• Business expansion</li> <li>• Lines of credit</li> <li>• Real estate</li> </ul>
<b>FINANCING METHOD</b>	Banks will direct loan to borrower. The Financial Development Corporation will issue state guarantee up to 80% of the loan.
<b>QUALIFICATIONS</b>	Proceeds must be used for small businesses located in the State of California. Borrower must show repayment ability
<b>MAXIMUM GUARANTEE AMOUNT</b>	\$2,500,000 for each borrower.
<b>MATURITY</b>	Maximum of 7 years.
<b>INTEREST RATE</b>	Market rate as negotiated by lender and borrower.
<b>COLLATERAL</b>	Available business and personal assets (machinery, equipment, accounts receivable, inventory and real property).
<b>FEES</b>	<ul style="list-style-type: none"> <li>• Up to 2.5% of the guaranteed portion of the loan</li> <li>• \$250 documentation fee</li> </ul>

The California Small Business Loan Guarantee Program has a successful 40 year history. It has guaranteed over 30,000 loans for lending institutions to help small businesses.

The California Small Business Loan Guarantee Program enables small businesses to obtain credit when it cannot otherwise qualify for a loan. The program provides a lender with necessary security in the form of guarantee.

The California Small Business Loan Guarantee Program is housed within the I-Bank which is located within the Governor's Office of Business and Economic Development.

To obtain more information on this program please contact the nearest Financial Development Corporation listed within this brochure.

# Guidelines

The Small Business Loan Guarantee Program helps lenders make loans to borrowers who cannot qualify for conventional financing. It gives businesses a chance to build good working relationships with financial institutions.

## What kinds of borrowers are eligible?

Most small businesses are eligible to participate in the program including corporations, partnerships and sole proprietorships. It must be a small business with no more than 750 employees.

## What can proceeds be used for?

For any business purpose, including but not limited to start-up costs, working capital, business procurement, franchise fees, equipment and inventory. Funds can be used for real estate purposes related to construction, renovation or tenant improvements of an eligible place of business.

## What type of lenders?

Any insured depository institution, insured credit union or community development financial institution as defined in Section 103 of the Riegle Community Development and Regulatory Improvement Act of 1994.

## How to apply?

You can contact the Financial Development Corporation listed in this brochure. If you are working with your lender and need help, direct the lender to a Financial Development Corporation.

## Small Business Financial Development Corporations

### Northern California

**California Capital**  
1792 Tribute Road, Suite 270  
Sacramento, CA 95815  
(916) 442-1729  
Fax: (916) 426-1859  
[www.cacapital.org](http://www.cacapital.org)

**SAFE-BIDCO**  
1377 Corporate Center Pkwy., Suite A  
Santa Rosa, CA 95407  
(707) 577-8621  
or (800) 273-8637  
Fax: (707) 577-7348  
[www.safe-bidco.com](http://www.safe-bidco.com)

### San Francisco Bay Region

**Nor-Cal**  
300 Frank H Ogawa Plaza  
Suite 208  
Oakland CA 94612  
(510) 452-1171  
Fax: (510) 452-4405  
[www.nor-calfdc.org](http://www.nor-calfdc.org)

### Central Coast Region

**California Coastal**  
221 Main Street, Suite 301  
Salinas, CA 93901  
(831) 424-1099  
Fax: (831) 424-1094  
[www.calcoastal.org](http://www.calcoastal.org)

### Central California Region

**Valley**  
7035 North Fruit Avenue  
Fresno, CA 93711  
(559) 438-9680  
Fax: (559) 438-9690  
[www.vsbdc.com](http://www.vsbdc.com)

### Southern California Region

**Hancock**  
4022 West Olympic Boulevard  
Los Angeles, CA 90019  
(213) 382-4300  
Fax: (213) 382-4732  
[www.hsbfdc.org](http://www.hsbfdc.org)

**Pacific Coast**  
3255 Wilshire Boulevard, Suite 1501  
Los Angeles, CA 90010  
(213) 739-2999  
Fax: (213) 739-0639  
[www.pccorp.org](http://www.pccorp.org)

**Orange County**  
1913 East Seventeenth Street,  
Suite 210  
Santa Ana, CA 92705  
(714) 571-1900  
Fax: (714) 571-1905  
[www.sbfdoc.com](http://www.sbfdoc.com)

**California Southern**  
600 B Street, Suite 2450  
San Diego, CA 92101  
(619) 232-7771  
Fax: (619) 232-6743  
[www.casouth.com](http://www.casouth.com)

1792 Tribute Road, Suite 270, Sacramento, CA 95815  
tel: 916.442.1729 fax: 916.426.1859



**CaliforniaCapital**  
Financial Development Corporation

"Capital and Capacity to Serve Communities"

## California Small Business Loan Guarantee Program

California Capital Financial  
Development Corporation  
1792 Tribute Road, Suite 270  
Sacramento, CA 95815

(916) 442-1729

[www.cacapital.org](http://www.cacapital.org)