

SBA Community Express Loan Program

Who is Eligible?

- For loans up to \$25,000 - all SBA eligible businesses and/or borrowers located nationwide.
- For loans over \$25,000 - all SBA eligible businesses and/or borrowers located nationwide in Low to Moderate Income Areas (LMI), Hub Zones and other SBA designated areas.

Loan Features:

- Automated process provides fast turn-around time
 - Loan amounts of \$5,000 to \$50,000
 - 7 year term – Fully Amortized
 - Unsecured – no collateral required
- Variable Interest Rate based on Wall Street Journal Prime, adjusted calendar quarterly:
 - Loans of \$5,000 - \$25,000 at Prime +4.75%
 - Loans of \$25,001 - \$50,000 at Prime +3.75%
- \$425 packaging fee – deducted from the loan proceeds.
- SBA Guaranty fee of 2% of the guaranteed portion (85%) of the loan will be deducted from the loan proceeds.
- Loan payments automatically drafted from the business checking account at their established financial institution.
- No prepayment penalty – 21-day payoff notification required.
- Technical Assistance Included – borrowers receive pre-and post-loan closing management and technical assistance.

Eligibility Requirements:

- All SBA eligible industries considered.
- Start-up businesses allowed.
- Loan proceeds for business acquisition not allowed.
- Working capital loans to businesses after acquisition has been fully completed are permitted.
- Franchise must be on the SBA approved Franchise Registry (www.franchiseregistry.com).
- Liquid assets of individual owner cannot exceed \$100,000 – does not include IRA and other qualifying Retirement Accounts.
- No tax return required.
- Utilizes Fair Isaac Credit Score System, which evaluates credit score of the applicant and industry data including current and recent past due accounts. Collection accounts have a very negative effect on the applicant's credit score and loan decision.

Continued on next page...

SBA Community Express Loan Program

Continued from previous page...

Ineligible Businesses:

- Investment Real Estate – apartments, rental housing or multi-tenant buildings
- Speculative Real Estate
- Agricultural and farm businesses (growing crops or animals)
- Fishing and Shore operations
- Medical facilities (including nursing homes and assisted living facilities)
- Mines (including sand and gravel pits)
- Applicants doing business in foreign countries
- Businesses engaged in teaching, instructing, counseling or indoctrinating religion or religious beliefs, whether in a religious or secular setting
- A business with any products or services of a sexual nature
- A business that is engaged in lending (with the exception of Mortgage Brokers)
- A business that is engaged in gambling

Loan Application Process:

- Application submitted by T/A Provider or applicant directly. Application available at www.borregospringsbank.com, under the Loan Products tab.
- Upon approval of loan a commitment letter is issued and closing documents are sent to the T/A Provider and/or Borrower.
- Signed commitment letter and closing documents are returned to the CE Loan division.
- Funding occurs after the CE Loan division receives the T/A certificate with business plan attached from the T/A Provider.

For more information contact our experienced loan experts:

Fred Crispen • Jane Crispen • Terry Crispen

Toll Free (866) 644-0042

Fax completed applications to (866) 717-7718