

LISC SMALL BUSINESS LOANS



Emergency financing for small businesses

LISC provides loans from \$75,000 to \$500,000 to small businesses through the LISC Rapid Relief and Resiliency Fund. The program allows LISC to make loans similar to banks, but with more flexible credit standards to reach businesses that might not qualify for conventional bank financing.

What are the rates and terms?

Size: \$75,000 - \$250,000 (real estate up to \$500,000)

Uses: working capital, equipment, inventory, tenant improvements, real estate purchases, debt refinancing, etc.

Interest rate: 2% for initial 12 months (up to 6.75%)

Term:

- Up to 48 months
- Up to 20 years amortization for real estate loans
- Loans have no pre-payment penalties

Collateral:

- Real estate and equipment, if subject of the loan
- First lien UCC on all business assets
- Personal guarantee from all owners

Equity: 10% equity at closing (non-working capital)

Eligibility:

- Existing businesses with 3 years minimum experience
- 3 years tax returns required (business and personal)
- Minimum sales of \$250,000 annually

How do LISC loans differ from bank loans?

As a Community Development Financial Institution, LISC is committed to helping entrepreneurs access capital and offers more flexible credit standards than banks can offer.

- LISC requires a minimum 1.15x historical debt service coverage for 2019
- LISC is flexible on collateral requirements
- LISC works with borrowers with personal credit issues

Learn more at www.LISC.org/Chicago



"There is no way I could expand and grow my business without the loan and support from LISC Economic Development Lending. They are helping me reach my goals and fulfill my dream."

*Ramona Thomas, Founder & Owner
My Chocolate Soul
Chicago, IL*

LISC provided a loan to My Chocolate Soul to finance leasehold improvements, equipment purchases, and working capital. Business owner Ramona Thomas founded My Chocolate Soul in 2011 to create delicious, all-natural sweets without the preservatives, colorings, and artificial ingredients commonly found in modern mass-market products.

Questions?

Contact SmallBusiness@LISC.org