**EMERGENCY BUSINESS LOAN FUND**

MICRO L0AN FUND COVID-19 EMERGENCY LOAN FUNDS

**General Eligibility**

**Credit**

principal business owner(s) must have reasonable and responsible personal credit history and an acceptable explanation for any derogatory marks. Bankruptcies and debt write-offs must be at least 12 months old

**Cash Flow**

businesses must show that historical profits were sufficient to service the requested debt and have been impacted by the COVID-19 outbreak

**Location**

primary business operation located in Pueblo, Fremont, Huerfano, and Custer counties will be given priority

**Microloan Use of Funds**

must be for reasonable and eligible working capital expenses

**Microloan Requirement**

job retention

**Collateral**

evaluated on a case-by-case basis

**Required Guarantors**

all business owners who hold 20% or more ownership must guarantee the loan

**Co-Signer**

a co-signer with reasonable credit and sufficient income to re-pay the loan can be included as a guarantor to mitigate weaknesses in the loan request

**Application Fees**

$25 for an individual, $50 co-borrower (waived for 90 days – July 1, 2020)

**Important Documentation**

·         Complete Loan Application

·         Business Tax Returns *(1 year, if available)*

·         Interim Business Financial Statement

·         Personal Financial Statement

·         Personal Tax Returns *(1 year)*

·         Bank Statements *(3 months)*

·         Sources and Uses of Funds

**Microloan Terms**

**Loan Limits**

$1,000 to $20,000

**Interest Rate**

- Option 1: 0% for a term of 6 months
- Option 2: 2% term of up to 2 years

**Term**

6 months to 2 years

**Loan Fee**

3%; 2% origination, 1% loan loss reserve

**Eligible Uses**

Working capital only

**Eligible Borrowers**

- Option 1: micro-enterprises that are low-income or will retain low-income jobs
- Option 2: small businesses that will retain low-income jobs

**Repayment**

Begins at 60 days