

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 \$150,000 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/Central-IL



"LISC helped us purchase our own space that will allow us to expand going forward. We would not be where we are without LISC."

*Gregory & JoAnn Parker Young
Founders & Owners
Young's Popcorn Heaven, Inc.
Peoria, IL*

Young's Popcorn Heaven is a gourmet popcorn shop that opened in mid-2015. The owners are using the LISC loan to purchase a building, decreasing operating expenses while allowing Young's to increase its production and create new jobs for the community. The new property is not only significantly larger, but also has an area that the Youngs' would like to convert to a café.

Questions?
Contact SmallBusiness@LISC.org