

FAQ's (Borrowers)

1. How can the SBFDC help me?

Our role is to be your advocate; we can explain how a lender would look at your request and basically how you would qualify for a loan. Ultimately, we can help you obtain a loan through a lender by making your request stronger.

2. What does it take to qualify?

Since your request will be presented to a local lender, we have to look at your request in a similar way as a lender would. Therefore, your personal credit, cash flow, and available collateral are three important areas that will determine if you qualify.

3. Does my personal credit affect my eligibility for the program?

Your personal credit history is one of the three factors that have a major affect on your eligibility; essentially no bankruptcies, no tax liens, no pattern of missed payments, and not a lot of credit card debt or automobile debt. Usually, a lender would want to see a FICO score of at least 620 or so.

4. What interest rate will I get?

After we line up a lender, we will introduce you to them and you negotiate the interest rate yourself.

5. About how long does the process take?

From when we receive all of your information, it takes about 30-45 days until the money is in your hands. Under the Express Program guidelines, turnaround time is approximately 10 days.

6. What fees do you collect?

If you do qualify under the Express Program, we charge only a one-time fee of \$200. Our standard program charges a one-time fee of \$250 plus 1% of the guaranteed portion on a LOC or 2% of the guaranteed portion on a term loan. These fees are included in the loan, so you do not have to pay out of pocket.

7. Are start-up's eligible?

Yes, start-up entities are eligible. You will need a thorough business plan and projected income statements for the first two years and a set of supporting assumptions to accompany your projections. With any start-up, the lender will be less certain that you will be able to reach the goals in your projections ? as compared to an existing business. So your experience, credit history, and the strength of your collateral support will make more of a difference.

8. What if I don't have any collateral to pledge?

You can mitigate this by injecting more money into the project. The stronger your historical cash flow is, the better chance you have of qualifying.