



## **NALCAB Small Business Loan Guarantee Overview**

### **Guarantee Eligibility Guidelines:**

- NALCAB will guarantee a portion of the current principal balance for a secured loan or line of credit made by a NALCAB Network Member Lender\*
- Eligible lenders must demonstrate a strong track record for lending to small businesses with annual revenues under \$1 million.
- Eligible uses include any single secured Real Estate Loan or secured Small Business Loan or Line of Credit to a small business in operation for at least one year and with annual revenues of less than \$1 million.
- Guarantee limit:
  - Real Estate loans---Up to 50% of loan principal balance amount with Guarantee amount not to exceed \$75,000\*\*, or
  - Small Business loans---Up to 50% of loan principal balance amount with Guarantee amount not to exceed \$10,000\*\*
- Up to a 5-year term
- Fees: 1% of Guarantee amount origination fee and 0.5% annual fee based on anniversary date Guarantee loan principal balance amount\*\*\*

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*\*Participation in the Guarantee Program requires NALCAB member lender certification by NALCAB Staff.*

*\*\*Guarantee amount is lesser of dollar amount maximum or percent of loan maximum, and subject to availability of funds. Minimum \$ amounts may apply.*

*\*\*\* Due at closing is the origination fee based on the initial guaranteed amount. Due each anniversary date is an annual fee of 0.5% of the Guarantee % times the current loan principal balance.*

### **Requirements & Restrictions**

#### **Small Business Loan Guarantee Certification Requirements:**

- Be a paid active NALCAB Member Lender.
- Have at least one-year small business lending experience.
- Have board-approved Lending Policies and Procedures in place.
- Have Collection and Servicing procedures in place.
- Have equitable lending and loan process policies.

## **Guarantee Availability Restrictions:**

Geographic Funder restrictions may apply. Priority markets include California, Colorado, Georgia, Washington, Oregon, Hawaii, Maryland, Virginia, and Washington DC.

Maximum Total of Guarantee \$ available to any one Lender equals 20% of total Loan Guarantee Program Fund Allocation, currently \$470,000 max.

### **Become certified Member Lender here:**

<https://us.grantrequest.com/application.aspx?sid=6176&fid=35117>

### **Submit SBLG request (after receiving certification) here:**

<https://us.grantrequest.com/application.aspx?sid=6176&fid=35116>

**Questions?** Please contact our Lending team at [impactinvesting@nalcab.org](mailto:impactinvesting@nalcab.org)