



SMALL BUSINESS LOANS OFFERED BY
Business Development Corporation of SC / Certified Development Corporation of SC

Revised March 2016



	SBA 7(a)	SBA 504	SC CAP	SSBCI Loan Participation
Maximum Amount	\$5,000,000	\$5,500,000	\$100,000 + fees: aggregate per borrower shall not exceed \$250,000	\$5,000,000 and under
SBA Guarantee?	Yes – 85% on loans ≤\$150M; 75% other	N/A	No	No
Level of Bank Obligation	If extensive leasehold improvements, bk to provide interim to be pd off by 7a, OR participation req'd if loan amount >\$1MM ⁽¹⁾	Interim loan, to be pd off by 504 Perm loan = 50% of eligible costs (maturity ≥ 10 yrs RE, ≥ 7 yrs Equip)	N/A - bank is the lender	N/A - bank is the lender
Subject to Approval by	BDC Loan Committee and SBA	CDC Executive Committee and SBA	Bank	BDC
Borrower Qualification(s)	Meets small business size standard; definition of small business varies by business type	Owner-occupied Avg 2-yr after-tax net profit < \$5.0MM & Tangible NW < \$15MM Satisfy an SBA Public Policy Goal or 1 job created per \$65,000 loaned or \$100,000 for Manufacturers	For profit entity Wholesale annual sales ≤ \$5MM; Manufacturing ≤ 50 employees; All others, annual sales ≤ \$2MM	For profit or Non- profit Borrower ≤ 500 employees
Eligible Uses of Loan Proceeds	Leasehold improvements, inventory, working capital, fixtures, equipment, real estate, debt refinance (according to SBA criteria)	Real estate, long-term fixed assets, machinery and equipment and certain soft costs (including interim loan interest)	Determined by bank See SC CAP Lender Participation Agreement	Working capital, owner-occupied real estate, equipment, FF&E, LOC's, A/R, inventory, refinance debt from another institution.
Fee	\$500-\$1,000 non-refundable packaging fee SBA Guarantee Fee ≤\$150M loan: 2% of gtd amt (currently waived) >\$150M≤\$700M: 3% of gtd amt >\$700M: 3.5% of gtd amt up to 1MM; 3.75% of gtd amount > 1MM	\$2,000 good faith deposit	Determined by bank ⁽³⁾ Typical Transaction: 1.5% Bank, 1.5% Borrower, matched 4.5% x by SC CAP Funds, and deposited into account designated for all SC CAP loans (per bank) for a 7.5% reserve	Origination fee shared pro rata with BDC (if applicable)
Term Loan or Revolving?	Term	Term	Term , Revolving or lines of credit ⁽⁴⁾ (determined by bank)	Term , Revolving, or lines of credit
Interest Rate	Variable Maturity < 7 yrs: Prime + 2.25% Maturity ≥ 7 yrs: Prime + 2.75%	Fixed at time of debenture funding	Determined by bank	Determined by bank, with BDC concurrence
Term	Up to 20 yrs for real estate Up to 10 yrs for other	20 years for real estate 10 years for equipment	Determined by bank	Determined by bank, with BDC concurrence
Equity Injection Requirement	Minimum 10% of total real estate costs Otherwise, determined on a case-by-case basis	Minimum 10% of eligible costs Add 5% if special use facility Add 5% if business < 2 yrs old	Determined by bank	Determined by bank, with BDC concurrence
Prepayment Penalty	Only loans with terms of 15 + years, if prepayment in the first 3 years	Yes, for first half of loan term	Determined by bank	Determined by bank, with BDC concurrence
Collateral	Business assets, real estate, personal residence, collateral assignment of life insurance, assignment of brokerage account (not retirement), assignment of CD; no vehicles	2 nd REM and/or Equipment (behind bank's 1 st) collateral assignment of life insurance Add'l non-project assets at CDC/SBA discretion	Determined by bank	Determined by bank, with BDC concurrence
Loan Servicing	BDC services (even if bank buys a participation)	CDC services 504 loan	Bank	Bank

*See footnotes on reverse side

* up to \$5,000,000 with SSBCI CAP.

- (1) BDC's maximum (unguaranteed) exposure is \$250,000; therefore, the bank would be required to buy a participation for any unguaranteed amount over \$250,000
- (2) SBA requires a personal resources test to verify that the borrower does not have add'l liquid resources to inject (formula includes an exemption amt based on loan amt)
- (3) See minimum and maximum charges in SC CAP Lender Participation Agreement
- (4) Lines of Credit filed under the SC CAP program can be renewed with no new fees, as long as the line amount is not increased
- (5) Premium charges paid by Borrower shall not be less than 1% or greater than 3.5% of the amount of the loan; Premium charges paid by Lender shall be equal to the amount paid by borrower. However, the Lender may recover from the Borrower the cost of Lender's payment

Business Development Corporation of SC / Certified Development Corporation of SC
Contact Information

Mailing Address:
P.O. Box 21823
Columbia, SC 29221

Physical Address:
111 Executive Center Dr., Ste 225
Columbia, SC 29210

Main Phone #: (803) 798-4064
Main Fax #: (803) 798-1224
www.BDCofSC.org

For new loan inquiries please contact:

Connally Bradley	(803) 744-0308	CBradley@BDCofSC.org
Peter Shand	(803) 744-0305	PShand@BDCofSC.org

For new SSBCI loan inquiries please contact:

Ryan Barnes	(803) 744-0312	RBarnes@BDCofSC.org
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For approved loans pending closing information please contact:

Jessica Preheim	(803) 744-0313	JPreheim@BDCofSC.org
Shannon Cross	(803) 744-0304	SCross@BDCofSC.org

For existing loan servicing please contact:

SBA 504 Loans: Sherri Scarce	(803) 744-0306	SScarce@BDCofSC.org
SBA 7(a) Loans: Ron Paull	(803) 744-0307	RPaull@BDCofSC.org

Additional contacts:

Edwin Lesley, President (BDC)	(803) 744-0301	ELesley@BDCofSC.org
Stephanie Bell, Accounting Manager	(803) 744-0302	SBell@BDCofSC.org
Brian Hofferth, Credit Underwriting	(803) 744-0311	BHofferth@BDCofSC.org

Additional Contacts for Small Business Services

Small Business Development Centers offer one stop assistance to individuals and small businesses by providing a wide variety of information and guidance. To locate a SBDC in your area please visit the following link:
www.sba.gov/aboutsba/sbaprograms/sbdc/index.html

U.S. Small Business Administration
South Carolina District Office
1835 Assembly Street, Ste. 1425
Columbia, SC 29201

SBA General Number
(803) 765-5377

You can also visit SBA online at
www.sba.gov

SCORE is the United States' premier source of free and confidential small business advice for entrepreneurs. To locate a SCORE office in your area please visit their website at: www.score.org