

COMMUNITY CAPITAL WORKS

Small business LOAN PROGRAM

FACT SHEET

Statement of Purpose/Mission Statement: The CCW, Inc. mission is to identify, cultivate and grow successful entrepreneurs through technical assistance and microenterprise lending programs for the betterment of their socially and economically depressed communities.

The CCW Small Business Loan (SBL) program provides loans to small businesses and microenterprises in the greater Philadelphia region. The SBL program relies primarily on the character and credit history of the borrower and features flexible underwriting criteria designed to address the needs of low- to moderate-income business borrowers.

Loan Size: Loans are available from \$500.00 to \$25,000.00

Interest Only Period: Borrowers may request an interest only period for up to 6 months from the start of the loan term. Loan proceeds may be advanced in stages during this period.

Terms: Loan repayment terms range from 6 months to 66 months depending on the loan amount and purpose. After the interest only period, loans will be repaid in equal monthly payments over the loan term.

Rate: The interest rate will be fixed for the loan term based on the current interest rate schedule and the availability and type of collateral for the loan. Interest rates as of May 2007 range from prime (8.25%) plus 2-6 points (10.25% to 14.25%). Interest is fixed, simple interest based on the declining balance. There is no penalty for early repayment.

Eligible Businesses Most small businesses including start-up businesses are eligible. Businesses providing predatory financial services, illegal or illicit services are not eligible.

Purposes: Loans may be used for most business purposes: to purchase inventory, equipment, or real estate, for working capital, building renovations, business acquisition and general start-up costs. Loans may not be used to pay delinquent or doubtful debt, delinquent taxes, for investment or speculation or any illegal or unethical purpose.

Collateral: Collateral is not the primary consideration of the SBL. However, CCW will attempt to collateralize the loan to the fullest extent possible using the most appropriate combination of business, personal and third party assets available.







Fees: The non-refundable application fee of **\$15** covers expenses for processing the application. Loan closing costs paid by the borrower vary depending on the type and size of the loan. Loan closing costs may be financed.

Technical Assistance Applicants receive assistance completing the loan application and business plan prior to receiving a loan. Borrowers receive ongoing business assistance during the loan term.

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Application Procedure

-  **Phone Community Capital Works, Inc.** to schedule a meeting. Your CCW Representative will help you through each step of the process to make it as simple for you as possible. Your CCW Representative will also determine when you are ready for the next step in the application process.
-  Complete the **Application** form and sign the **Credit Report Authorization** form.
-  Submit the **\$15 application fee** payable to Community Capital Works, Inc.
-  Work with CCW to compile a complete **application**. The following is a checklist of information to compile. Please ask your CCW representative if you need help with any of the items listed below:
 - Business plan explaining how the loan will affect your business goals regarding production, sales, profits, jobs created, etc.
 - Projected income and cash flow statements
 - Current (within 90 days) and previous three years' business financial statements and/or federal tax returns
 - Personal federal income tax returns for the past three years, from all owners with 25% or more ownership
 - 1 month of pay stubs from all owners with 25% or more ownership
 - A copy of the lease if you rent your current business location
 - Estimates and quotes for proposed loan proceeds, if applicable
 - Preliminary plans and specifications for new construction or renovation and cost estimates prepared by a qualified, independent third party (General Contractor or Architect) if you are planning to renovate commercial real estate
 - Any additional information that will assist CCW in analyzing your application
-  **A committee of lending, business and community representatives** decides whether to approve completed packages. The committee meets as needed to provide maximum responsiveness and flexibility.
-  **Your CCW Representative** will work with you on your loan application. The entire process usually takes 2-3 weeks.