



SMALL BUSINESS LOANS

Statement of Purpose/Mission Statement: Entrepreneur Works Fund's 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 Entrepreneur Works Fund 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 \$50,000.00. Loan requests for start-up businesses are limited to \$15,000.
- 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 72 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. Loan payments will be debited from your bank account each month on the due date.
- 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 July, 2014 range from 8.0% to 12.0%. 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.
- Credit:** Entrepreneur Works Fund will look at the borrower's credit report. There is no credit score cut-off and Entrepreneur Works Fund will generally look at the content of credit reports for proof of recent improvement.
- Collateral:** Collateral is not the primary consideration of the SBL. However, Entrepreneur Works Fund 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 **\$50** (\$25 for additional applicants) covers expenses for processing the application. There will be a loan closing fee of **2% of the loan amount**, or minimum of \$50.
- Technical Assistance:** Applicants may receive assistance completing the loan application and business plan prior to receiving a loan. Borrowers receive ongoing business assistance during the loan term.

Entrepreneur Works Fund is a program of Entrepreneur Works.
For more information or to receive an application package, visit
www.myentrepreneurworks.org/programs/loans or call 215-545-3100.