

# State Small Business CREDIT INITIATIVE

## LOAN GUARANTEE PROGRAM



The Loan Guarantee Program enables a small business to obtain term loans and lines of credit to help them grow and expand their business.

GEDA will guarantee loans made by participating lenders to Guam small businesses in the form of a cash deposit not to exceed twenty percent (30%) of the total enrolled loan amount.

- \* Guarantee Amount: up to 75% of the loan amount.
- \* Maximum Guarantee Amount: \$1,000,000.00.
- \* Guarantee Term: First seven (7) years of the loan.
- \* Guarantee Fee: 2% of the loan amount.
- \* Maximum enrolled loan(s) amount is the aggregate of \$5 million.

### PROCESS

GEDA has established a partnership with banks and credit unions to administer loan funds through the Loan Guarantee program. Participating banks & credit unions will process loan applications using their individual underwriting process and then enroll these loans into the SSBCI program.

### ELIGIBLE BUSINESS PURPOSES

- \* Start-up Costs
- \* Working Capital
- \* Franchise Fees
- \* Acquisition of equipment, inventory, or services used in the production, manufacturing, or delivery of a business's goods or services.
- \* The purchase, construction, renovation, or tenant improvements of an eligible place of business that is not for passive real estate purposes.
- \* For small businesses with 500 employees or less.

### INELIGIBLE BUSINESS PURPOSES

- \* Acquiring or holding passive investments in real estate.
- \* Purchase of securities.
- \* Lobbying activities.

### PARTICIPATING LENDERS



Janine Eustaquio (671) 472-5349



Bill Bernardo (671) 479-1157



Michael Finona (671) 472-8210



Elizabeth Lizama (671) 647-6883