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# b:side

## fund



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# Direct Lending Program Overview



B:Side Fund is a 501(c)(3) nonprofit organization that offers support, resources, and direct loan funding to small businesses.

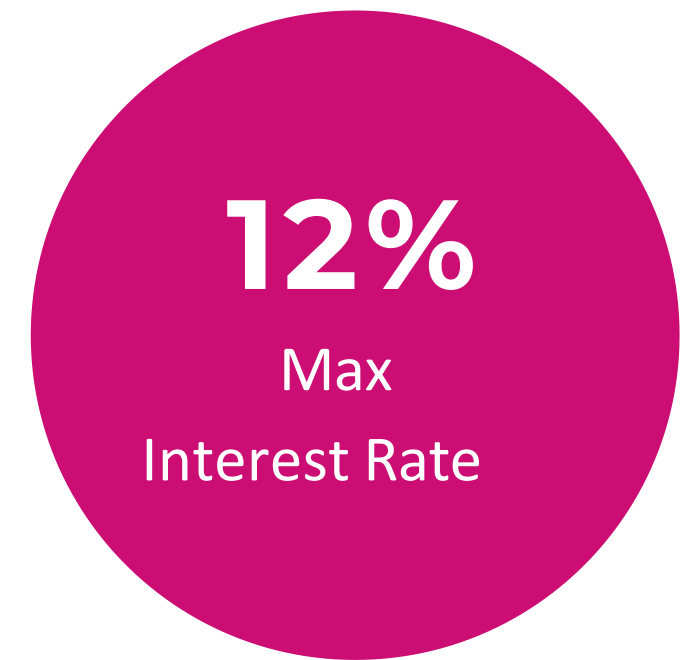
Through a combination of grants, program-related investments, and loans from our funding partners, we have created new capital opportunities for small businesses.

- ▶ B:Side Capital (sister organization) offers SBA 504 and 7(a) financing.

# Direct Lending

## Small Business Loans

Our Direct Loan Program offers a variety of financing options to help small business owners who often can't access a traditional bank loan that are in need of financing to help them grow.



▶ No Prepayment Penalties

# Direct Lending

## Requirements & Use of Proceeds



### ► Use of Funds

- Working capital
- Purchase of furniture, fixture and equipment
- Inventory
- Business acquisition
- Debt refinance

### ► Requirements

- Pledge furniture, fixtures and equipment that are financed with the loan + all business assets
- Borrower's equity contribution is typically 10% of the loan amount
- Personal guarantee for 20%+ owners
- Insurance

# Direct Lending

## General Eligibility



- Based within the United States
- 51% owned by U.S. citizen(s) or Legal Permanent Resident(s)
- In operation for 6+ months
- Unable to obtain bank financing
- Have guarantors with a personal credit score of at least 630

- Current on all existing business and personal accounts
- Generating revenue
- Demonstrate other forms of repayment
- Ability to produce operational and financial management documentation
- Provide at least one year of projections



# Direct Lending

## Loan Program Benefits

- 1 Supports those who don't qualify for traditional bank financing or have a demonstrated need for credit
- 2 Low down-payment options; funding typically covers up to 90% of the total project costs
- 3 Long repayment terms reduce monthly payments which helps business cash flow
- 4 Access to capital despite lack of sufficient collateral
- 5 Help build equity and create quality jobs in the community
- 6 Responsible interest rates compared to online lenders

# Colorado Startup Loan Fund

## Program Overview

- Introduced by the Polis Administration and the Business Funding & Incentives Division of the Colorado Office of Economic Development & International Trade (OEDIT) on Sept 1
- Fund sets aside \$31.1 million in financing to CO small businesses
- **The fund will focus on:**
  - existing or startup businesses unable to qualify for traditional lending
  - existing businesses that were impacted by the COVID-19 pandemic
  - increasing access to capital for underserved communities

# Colorado Startup Loan Fund

## Participating Lenders

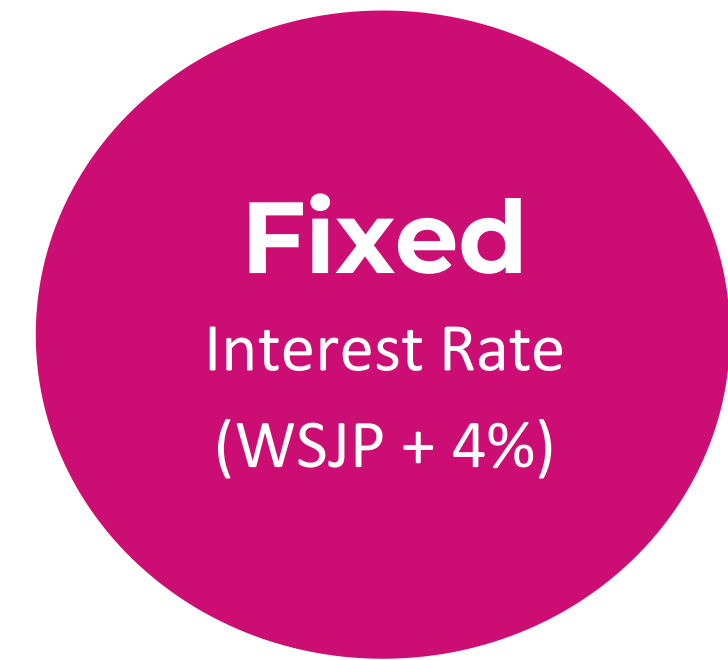
- B:Side Fund is one of eight participating mission-based non-profit lenders
- Each lender has their own terms and focus, so if a business doesn't qualify with one, it's advised to apply with another
- **Participating Lenders & Technical Assistance Partners Include:**
  - B:Side Fund
  - CEDS Finance
  - Colorado Enterprise Fund
  - Exponential Impact
  - First Southwest Community Fund
  - Lendistry
  - Region 9 Economic Development District
  - Rocky Mountain MicroFinance Institute



# Colorado Startup Loan Fund

## B:Side Requirements

Our Direct Loan Program offers a variety of financing options to help small business owners who often can't access a traditional bank loan that are in need of financing to help them grow.



- ▶ No Prepayment Penalties
- ▶ Other requirements same as B:Side Fund Direct Lending Programs