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# **Direct Lending Desk Guide**

FOR BORROWERS & RESOURCE PARTNERS

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our mission is to foster the economic growth of  
diverse small businesses

A large, light blue circular graphic in the bottom left corner.

# DIRECT LENDING

## PROGRAM OVERVIEW

▶ **\$20,000 TO \$350,000**

B:Side Fund is committed to serving small business owners by offering support, resources, and funding to small businesses from all walks of life. We remain steadfast in our mission of over 30 years to foster the economic growth of diverse small businesses. **We're designed to assist businesses that are unable to obtain bank financing.**



To get started, visit:  
[bsidefund.org](https://bsidefund.org)

### HOW IT WORKS

#### STEP 1:

Complete our quick eligibility check to get matched with one of our loan programs.

#### STEP 2:

If we don't have a good loan product for you, we'll refer you to one of our partners to see if they can help.

#### STEP 3:

If you're a potential fit for a direct loan, you will be invited to complete a more in-depth loan application.

#### STEP 4:

We will review your loan application once completed. If you are a potential fit, we will present your request to our Loan Review Committee for approval.

#### STEP 5:

If approved, we will walk you through the closing and funding process.

### SMALL BUSINESS LOANS

We offer financing options to help small business owners who can't access a traditional bank loan.

### USE OF FUNDS

- Working Capital
- Debt Refinance
- Business Acquisition
- Inventory
- Purchase Equipment, Furniture, and Fixtures (excluding vehicles or trailers)

### LOAN AMOUNTS

- \$20,000 to \$350,000

### TERMS

- Up to 10 years fully amortized

### INTEREST RATES

- Fixed or variable, no higher than WSJ prime + 4.5%.

### BORROWER CONTRIBUTION

- 10% of loan amount

# EXPRESS RURAL BUSINESS LOAN

▶ \$25,000

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## RURAL BUSINESS LOANS

We offer financing options to help small business owners who can't access a traditional bank loan

## LOAN AMOUNT

- \$25,000

## TERM

- 3 years fully amortized

## USE OF FUNDS

- Working capital

## INTEREST RATE/FEEES

- Fixed interest rate at 8.00%
- Loan Fees at 7.50% can be financed with loan proceeds.

## MONTHLY PAYMENT

- \$783.41

## BORROWER CONTRIBUTION

- 10% of loan amount

## ELIGIBLE BUSINESSES

### MUST MEET THE FOLLOWING CRITERIA:

- Be generating revenue
- Be unable to obtain traditional bank financing
- Be in operation for 6+ months
- Be based within the United States
- Be 51% owned by U.S. citizen(s) or Legal Permanent Resident(s)
- Have the ability to produce operational and financial management documentation
- Have 20%+ or more owners/guarantors with a personal credit score of at least 630
- Be current on all existing business and personal accounts

## LOCATION

### BUSINESS MUST BE LOCATED IN A RURAL COLORADO COUNTY

Non-rural Colorado counties

- Adams
- Arapahoe
- Denver
- Boulder
- Broomfield
- Douglas
- Jefferson

If your business is located in El Paso, Larimer, Mesa, Pueblo or Weld counties, your business address may be eligible. Please reach out to [fund@bside.org](mailto:fund@bside.org) for us to review before submitting an application.



If your business sounds like a fit, start our online application here <https://njirpd6v7jz.typeform.com/BSideFundApp>.



# DIRECT LENDING

## Eligibility Requirements

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### ELIGIBLE BUSINESSES

#### MUST MEET THE FOLLOWING CRITERIA:

- Be generating revenue
- Be unable to obtain traditional bank financing
- Be in operation for 6+ months
- Be based within the United States
- Be 51% owned by U.S. citizen(s) or Legal Permanent Resident(s)
- Contribute 10% cash of the total loan amount towards the project\*
- Have the ability to produce operational and financial management documentation
- Provide at least one year of revenue and expense projections to demonstrate impact of the loan\*
- Have 20%+ or more owners/guarantors with a personal credit score of at least 630
- Be current on all existing business and personal accounts
- Pledge furniture, fixtures and equipment that are financed with the loan\*
- Pledge all business assets as collateral\*

\* May be waived for special loan programs

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### INELIGIBLE BUSINESSES

#### BUSINESS CANNOT BE ATTRIBUTED WITH:

- Speculative activities
- Lending, investments or loan packaging
- Exclusive membership
- Political or lobbying activities
- Indoctrinating religion or religious beliefs
- Illegal activities in the jurisdiction where the business is located
- Gambling activities
- Anything involving prurient sexual nature
- Currently incarcerated, on parole, on probation, or, is a defendant in a criminal proceeding
- More than 60 days delinquent under the terms of any administrative order, court order, or repayment agreement that requires payment of child support



# Direct Lending

## Loan Application Checklist

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### REQUIRED DOCUMENTS FOR ALL APPLICANTS

ITEMS COLLECTED:	DETAILS:
Personal Tax Returns	Full copies of the last 2 personal tax returns for everyone owning 20% or more of any business involved with this loan application
Identification for all Owners	Passport or driver's license
Organizational Documents	Secretary of state certificate of good standing, articles of incorporation or organization, operating agreement, bylaws, partnership agreements, etc.
Business Tax Returns	If applicable, full copies of the last 3 years of tax returns
Business Interim Financial Statement	A copy of a Profit & Loss and Balance Sheet statement dated within 90 days
Business Plan or Executive Summary	Business plan for businesses two years or younger; Executive business summary for businesses over two years
Financial Projections (if applicable)	One year of monthly revenue and expense projections and the assumptions to support them; Businesses two year or younger must provide two years of projections
Personal Financial Statements	For anyone owning 20% or more of the business
Resumes	For anyone owning 20% or more of the business, plus key employees
Bank Referral or Decline Letter	Bank decline letter, referral, or self-certification.

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### ADDITIONAL DOCUMENTS REQUIRED, IF APPLICABLE

ITEMS COLLECTED:	DETAILS:
Seller Business Tax Returns	Only if you are acquiring an existing business: Full copies of the last 3 years of tax returns
Seller Business Interim Financial Statement	Only if you are acquiring an existing business: A copy of a Profit & Loss and Balance Sheet statement dated within 90 days
Accounts Receivable Aging Report	If applicable
Accounts Payable Aging Report	If applicable
Cost Documents	Copies of quotes, estimates, invoices included in your loan request
Evidence of Insurance	If loan is approved, evidence of personal property hazard insurance will be required
Letter of Explanation	For individuals that need to explain any personal credit issues that must be disclosed

# Direct Lending

## Additional Information

### GUARANTEES

- A personal guarantee is required from every person or entity owning 20% or more of the business. This is a personal promise to pay the loan and is not tied to personal assets.
- A personal guarantor is required on every loan, even if no one individually owns more than 20%.
- In the event a credit is declined, credit may be reconsidered with the addition of guarantors.

### LIFE INSURANCE

*Will not be required on loans \$100,000 or less.*

### INTEREST RATES

*Fixed or variable, no higher than WSJ prime + 4.5%.*

### PREPAYMENT PENALTIES

*Loan may be paid in part or full at anytime without penalty.*

### LOAN PROGRAM FEES

- Origination fees will be no higher than 7.50%.
- Additional pass through fees include any other direct cost associated with the loan. This typically includes a \$8 UCC filing fee, \$15 wiring fee(s) and \$20 flood certificate fee per location of the business.
- The days' interest calculation is also included into project costs for loans that do not close on the first of the month.
- The 4% SBA packaging fee must be collected at the time of submission and is non-refundable.

# Contact Us

How to get in touch

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## PHONE

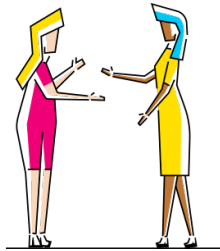
303.657.0010

## EMAIL

fund@bside.org

## FAX

303.657.0140



## READY TO GET STARTED?

Visit [bsidefund.org/get-started](https://bsidefund.org/get-started) and complete our brief eligibility check