



# Frederick County, Maryland Business Toolbox

## SMALL BUSINESS LOAN GUARANTEE PROGRAM

### PROGRAM BENEFITS

- Up to an 80% loan guarantee
- Commitment capped at \$50,000
- Loan Amount Maximum: None
- Loan Amount Minimum: \$5,000
- Term to be determined by lender
- Interest rate to be determined by lender

### BUSINESS ELIGIBILITY

- Borrowers must be able to locate or agree to locate within Frederick County prior to loan disbursement
- Must be located in one of the County's Priority Funding Areas
- Preference given to businesses in a Frederick County targeted industry: Agriculture, Manufacturing, Bioscience, Advanced Technology and Renewable/Sustainable industries; or Frederick County high growth industries: Healthcare, Financial Services, Professional and Business Services
- Must be a start-up or early stage company
- Must be a for-profit company
- Must have 100 or fewer employees (including any related or affiliated businesses)
- Borrowers must show good character and be subject to credit approval

### ADVANTAGES TO BORROWERS

- Significantly less paperwork and expense than that required to secure a federal SBA loan
- Direct assistance with development of a business plan and loan package preparation

### ADVANTAGES TO LENDERS

- Local tool to support business and start-ups and early stage companies in targeted industries
- Pre-qualified loans
- Significantly reduced fees and paperwork compared to that required by the federal SBA loan guarantee program

### REQUIRED FEES AND SETTLEMENT COSTS

- Application fee - 1% of requested loan amount
- Origination fee - 2% charged per loan at settlement, depending upon terms and conditions of the request
- Loans will be secured by liens against the business, a confessed judgement, secured personal guarantee of the borrower and collateral required by the conventional lender
- Borrowers must provide 5% owner equity to the project

### Get Started.

Visit [DiscoverFrederickMD.com](http://DiscoverFrederickMD.com) or call (301)600-1058 or (800)248-2296 for more information.



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