VSBFA
Virginia Small Business Financing Authority

PROGRAMS	LOAN GUARANTY PROGRAM	CASH COLLATERAL PROGRAM	ECONOMIC DEVELOPMENT LOAN FUND	CHILD CARE FINANCING PROGRAM	MICROLOAN PROGRAM
PROGRAM HIGHLIGHTS	• Small businesses obtain capital for growth, expansion, and liquidity • Bank grows assets • Mitigates loan principal losses • Max: up to the lower of 75% of the principal balance or $1.0 million	• Small businesses obtain capital for growth, expansion, and liquidity • Bank grows assets • Mitigates loan principal losses • Cash is deposited at the bank for additional collateral • Max: up to the lower of 40% of the principal balance or $1.0 million	• Direct loans to businesses, Economic and Industrial Development Authorities, by filling the financing gap for economic development projects that create or retain jobs in Virginia. • Projects benefit the community through job creation or retention and tax revenue • Max: $2.5 million subject to LTV limits	• Direct loans that assist childcare providers to maintain and improve the health, wellness, safety, and education of children • Advantageous pricing available • Max: $250,000 - Child Care Centers • Max: $15,000 – Family Home Providers	• The microloan program is designed to make direct loans to assist self-employed individuals, small businesses, and underrepresented communities like women, veteran, or minority owned for profit businesses. • Max: $150,000
ELIGIBLE APPLICANTS	Small businesses*	Small businesses*	Small businesses* and Economic and Industrial Development Authorities	Licensed, voluntarily registered, or certified childcare centers and family home providers approved by the VA Department of Education; Start-ups	Small businesses*
ELIGIBLE USES	Purchase or expand owner occupied property and leasehold improvements; equipment and fixed asset purchases; working capital; Refinance debt for compelling reasons; Starting or purchasing a business	Purchase or expand owner occupied property and leasehold improvements; equipment and fixed asset purchases; working capital; Refinance for compelling reasons; Starting or purchasing a business	Purchase or expand owner occupied property and leasehold improvements; equipment and fixed asset purchases; working capital	Playground & Infant care equipment; Educational material; Transportation vehicles (centers only); Technology such as laptops, pc & iPad; Modifications to the premises for the safety or benefit of the children	Equipment and fixed asset purchases; working capital; Starting or purchasing a business
INELIGIBLE USES	Residential real estate; Passive investments; Stock purchase; Goodwill; Non-owner-occupied real estate	Residential real estate; passive investments; stock purchase; goodwill; non-owner-occupied real estate	Relocate business from one VA jurisdiction to another; debt refinance, unless compelling reasons; residential real estate; passive investments; stock purchase; goodwill; non-owner-occupied real estate	Debt refinance: purchase or improve land; construction; mortgages; working capital	Debt refinance, unless compelling reasons; real estate; passive investments; stock purchase; goodwill
TERM and AMORTIZATION	• Credit Lines: Term - 5 years • Term & Real Estate Loans: –7 years	• Credit Lines: Term - 5 years • Term Loans: 5 years	• Term Loans: Term and Amortization - 10 years • Real Estate Loans: Term – 10 years; Amortization – 25 years	• Term and Amortization: ○ Loans = or < $150,000 – 7 Years ○ Loans > $150,000 – 10 Years	• Term: Unsecured – 5 years • Secured – 7 years • Requires owners counseled by a Technical Assistance organization (i.e., SBDC)
INTEREST RATE	Set by Lender	Set by Lender	• Direct loans-Below market Fixed rate • 75% of WSJ Prime – for direct loans to EDAs and IDAs transactions	0% (subject to change)	Fixed – 5.5% Fixed (Veterans) 3%
FEES	$200 non-refundable application fee; 1.5% fee of the VSBFA guaranty; .75% for Veteran owned business	$200 non-refundable application fee; 1.5% fee of the VSBFA guaranty; .75% for Veteran owned business	$500 non-refundable application fee	May apply	May apply

* "Small Business "employees by the Code of Virginia must meet at least one of the following criteria: 1) fewer than 250 employees; 2) less than $10 million in annual revenue for each of its last three years; 3) a net worth of $2 million or less; 4) is a not-for-profit entity granted tax-exempt status (501-c 3) and operates in the Commonwealth of Virginia. Term and conditions are subject to change at VSBFA's discretion. | Last Updated 5/23.