



New Funding for Business

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What is Maryland's State Small Business Credit Initiative?

State Small Business Credit Initiative (SSBCI) is a federally funded program to provide loans and investments to Maryland's small businesses. Loans and Investments are to provide continued support through the pandemic and to provide access to capital to many small businesses that traditionally have difficulty raising funds due to social, geographic, and economic issues.

Who can apply:

Maryland-based small businesses (as defined by the U.S. Small Business Administration):

- Less than 500 employees; For profit and nonprofit businesses including foundations

Eligible use of funds:

- Costs associated with opening or expanding a business
- New construction/rehabilitation for owner occupied spaces
- Machinery and equipment
- Real estate acquisition for owner occupied spaces
- Manufacturing
- Service providers
- Retail

Funding criteria:

- 1:1 private capital match from a lender or an investor
- Priority for business to be in a CDFI Investment Area.
- Priority for very small businesses (<10 employees)
- Priority for Socially and Economically Disadvantaged Individual led businesses.
- Cash flow and collateral for loans

Projects and activities that WILL NOT be considered for financing:

- Residential or transient living facilities (other than mixed-use projects described in eligible projects section)
- Facilities such as community halls, fire stations, hospitals, colleges, or universities
- Adult bookstores, adult video shops, other adult entertainment facilities, gambling facilities, gun shops, liquor stores, massage parlors, pawn shops, tanning salons, or tattoo parlors
- A business that earns more than half of its annual net revenue from lending activities; unless the business is a non-bank or non-bank holding company Community Development Financial Institutions;
- A business engaged in activities that are prohibited by federal law or applicable law in the jurisdiction where the business is located or conducted. (Included in these activities is the production, servicing, or distribution of otherwise legal products that are to be used in connection with an illegal activity, such as selling drug paraphernalia or operating a motel that knowingly permits illegal prostitution)

Funding Terms:

- Loan amounts from \$25,000 to \$5,000,000, Investments from \$25,000 to \$2,000,000.
- Interest rate is based on an underwriting analysis
- Flexible loan terms up to 30 years, depending on use and loan amount
- Personal guarantees and collateral may be required
- Prepayment penalties may be applicable

Application:

- Applicants may complete an online application for any of the SSBCI programs.
- List of SSBCI funding programs: dhcd.maryland.gov/Business/Pages/SSBCI/Participating-Programs.aspx

VISIT open.maryland.gov/ssbci | CALL 866-226-3559





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Maryland's State Small Business Credit Initiative Programs

Maryland's State Small Business Credit Initiative consists of nine programs that support a small business during its entire lifecycle, from startup to maturity. The loans or equity/investments are designed to help businesses seeking loans for expansion (working capital loans, contract financing, business owner occupied real estate acquisition, etc.), businesses seeking equity investments for expansion and growth, and Community Development Financial Institutions seeking capital to re-lend to small businesses. **All SSBCI programs are now open and applications are being accepted.** Learn about the different Maryland State Small Business Credit Initiative programs and find the right one for you.

Are you a business seeking a loan of \$250,000 or less?

Maryland Small Business Development Financing Authority - EPIP Loan

Designed to assist businesses in socially and economically disadvantaged areas to obtain working capital, equipment or contract financing.

Community Development Financial Institutions

You can also contact our list of participating Community Development Financial Institutions for SSBCI funds.

Are you a business seeking a loan of \$250,000 or more?

Maryland Small Business Development Financing Authority - EPIP Loan

Designed to assist businesses in socially and economically disadvantaged areas to obtain working capital, equipment, or contract financing.

Neighborhood BusinessWorks (NBW) Loan Participation Program

Designed to assist businesses with working capital and owner-occupied real estate acquisition.

Are you a business seeking equity investments for expansion & growth?

Maryland Small Business Development Financing Authority (MSBDFA) Equity

Designed to assist businesses in socially and economically disadvantaged areas.

Neighborhood BusinessWorks Venture Loans

Designed to assist strategic businesses with high potential job growth.

TEDCO Maryland Venture Fund

Designed to assist technology-based businesses during the Pre-seed to Pre-Venture Capital funding stage.

TEDCO SEED Investment Funds

Designed to assist businesses with seed stage investing.

TEDCO Social Impact Funds

Designed to assist Pre-seed technology start-ups founded by the socially and economically disadvantaged

TEDCO Venture Capital Limited Partnership

Designed to fund Early-stage Venture Capital funds focused on investing in Maryland.

Are you a community development financial institution seeking capital to re-lend to small businesses?

Neighborhood BusinessWorks Loan to Lender Program

Designed for Community Development Financial Institutions (CDFIs) to re-lend to small businesses (loan of less than \$250,000). The loan focuses on businesses owned and operated by Socially and Economically Disadvantaged Individuals (SEDI) and CDFI Investment Areas.

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