



## Capital Access Program

Illinois' Capital Access Program (CAP) has been re-launched to make it more attractive to lending institutions as part of Advantage Illinois. CAP assists businesses with capital financing needs. It is designed to encourage financial institutions to make loans to small and new businesses that do not qualify under conventional lending policies, using small amounts of public resources to generate private bank financing that might not otherwise be available.

Participating Illinois banks may offer CAP loans directly to companies that need credit enhancements. Similar to loan loss reserve funds, the bank and/or the borrower, as well as the Illinois Department of Commerce, contribute a small premium into a "pooled reserve." Each individual loan is enrolled by the approved financial institution, which is supported by the "pooled reserve." The program can assist in financing most types of business (with the exceptions of construction, renovation or purchase of residential or rental housing/rental property).

### ELIGIBLE BORROWERS

- CAP loans are available to most businesses located and legally authorized to do business in Illinois
- For small businesses with 500 or fewer employees
- Maximum loan size: \$1,000,000

### APPLICATION

- **For businesses:** contact a participating bank, listed on the Advantage Illinois web site.
- **For banks:** Interested banks can enroll in the program by submitting a master agreement to the Department of Commerce, available on the Advantage Illinois web site.

### TYPES OF LOANS

- Term loans up to 5 years
- Revolving Lines of Credit (renewable for up to one additional year, with only one fee due)

### HOW ADVANTAGE ILLINOIS LOANS WORK

- CAP loans are private transactions between banks and borrowers
- The Department plays no role in lending decisions nor in setting loan terms and conditions
- The bank assumes the risk of the loan
- The bank has flexibility to recast, extend or refinance the loan to address the needs of the business owner

### ABOUT THE PROGRAM

The Illinois Department of Commerce and Economic Opportunity administers Advantage Illinois, made possible by the federally-funded State Small Business Credit Initiative (SSBCI). Advantage Illinois consists of programs to spur institutional lending. Together, the \$78 million allotment from the federal government and the leveraged private investment is expected to generate more than \$800 million in private investment in Illinois' small businesses.

Website: <http://www.illinois.gov/dceo/SmallBizAssistance/Financing/AdvantageIllinois>

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