



PLP Support of Small Business Administration SBA-504 Activity - This new product from DCEO is designed to work in conjunction with guarantees from the Small Business Administration to support small, for profit businesses, operating in Illinois, focusing on projects that create/retain substantial employment or modernizations that improve competitiveness.

Structure	Basic structure similar to the Standard PLP
Eligible borrowers	Businesses – fewer than 750 full-time employees.
Interest Rate	DCEO's interest rate will be "below market" in its portion of project funding
Description	Can be used for a number of business activities, such as purchase of land, buildings, and capital equipment, as per SBA guidelines.
Maximum Support	<ul style="list-style-type: none"> <li>• Lesser of 25% of the "project"</li> <li>• 50% of the loan</li> <li>• Or an amount determined based on job creation/retention</li> <li>• <i>DCEO's maximum participation in any SBA-504 supported funding is limited to the Borrower's Equity portion, as defined under SBA-504 guidelines</i></li> </ul>
Loan Size	No less than \$10,000 or more than \$2 million
Lender	<p>DCEO's exposure will be subordinated to both the Lender's and SBA's respective positions, as outlined in our formal Intercreditor Agreement.</p> <p>DCEO may also participate in funding "Parallel Facilities" up to its maximum support for the respective project.</p>
Loan Loss	DCEO Funds are subordinated, thus Lender's potential loss is mitigated
Term	Generally match lenders term but, no longer than 10 years
Application	Limited PLP documentation is required from the borrower