



Investing in the growth  
of small business

# ECDI Orientation

For Existing Businesses in  
Operation for 2+ Years



# Agenda

- About ECDI
- Small Business Resources
- ECDI Loan programs
- Additional Resources available to small businesses



# About ECDI



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## Our Mission

Investing in people to create measurable and enduring social and economic change.

# Locations



**Columbus (HQ)**  
Central Ohio

**Cleveland**  
Northern Ohio

**Cincinnati**  
Southwest Ohio and Greater Cincinnati (IN and KY)

**Portsmouth**  
Southeast Ohio and Central Appalachia, (KY and WV)

**Field Offices in Toledo, Akron, Canton**

# About ECDI

Nonprofit small business support center

One-stop resource, supporting small businesses with:

- Training
- Coaching
- Access to Capital

Largest SBA intermediary microlender in U.S. by loan volume

Community Development Financial Institution (CDFI)





# About CDFIs

## What are they?

- Private (often nonprofit) financial institutions that deliver affordable capital to small businesses
- Seek to create stronger communities by helping business owners become financially self sufficient through coaching, training, and access to capital



**Educate. Invest. Innovate.**

## **Business Incubation and Innovation Center (BIIC)**

Wrap-around services, training and incubator/accelerator programs to increase business success

## **Lending**

Access to capital for entrepreneurs who are underserved by traditional lenders





# Loan readiness and beyond

## BIIC and ECDI Women's Business Centers:

- 1:1 business coaching
- Business plan and projections review
- Access to computer lab with Wi-Fi
- Networking events
- Professional Advisory Network
- Meeting and coworking space
- Printing and notary services
- Legal assistance referrals
- Basic assistance is available for any entrepreneur; additional benefits with affordable membership





# **BIIC: Training, Education, Mentoring**

**Giving entrepreneurs the foundation they need  
to succeed**



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# BIIC, current programs

## **Women's Business Centers of Ohio**

General support (for all genders) from business planning to industry trainings and beyond

## **Food Business Incubation Services**

Restaurant and food truck incubator/accelerator

## **Minority Contractor Resource Center**

Enabling minority sub-contractors to grow

## **Social Enterprise Hub**

Supporting meaningful job creation for vulnerable populations



# Lending Basics

General lending requirements



## Most lenders require:

- Business plan and 3-year detailed monthly financial projections
- Personal financial statement
- Business financial statements and tax returns
- Cash flow → ability to pay back debt
- Collateral and equity injection requirements
- The 5Cs of credit

# The 5 Cs of Credit

## Points of interest for all lenders

As a non-traditional lender, ECDI focuses on the same points – with the ability to place more emphasis on communication, while providing support to help you strengthen other areas





# Small Business Lending Programs

Providing fair access to responsible, affordable  
loan capital



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# Things to Know

## Requirements

- Personal guarantee
- Collateral and equity injection requirement
- Training may be required
- Ongoing reporting and job creation activity

## ECDI cannot lend to

- Individuals or businesses that have:
  - Defaulted on a federal loan
  - Been convicted of financial crimes





# Community Advantage

## Small business loans for inventory, equipment and working capital

- Start-up and existing businesses
- Loan sizes \$50,000 - \$350,000
- Qualifying SBA score
- Additional collateral and equity considerations
- Loan terms: up to 120 months (10 Years)
- Interest rate: prime +6%
- Closing costs: maximum 5% of loan amount



# Microloan Program

## Small business loans for inventory, equipment and working capital

- Start-up businesses: up to \$75,000
- Established businesses: up to \$500,000
- 590+ credit score
- Loan terms: 6-84 months
- No early repayment penalty
- Fixed interest rate: 6%-12%
- Closing costs: 1% to 5% of loan amount



# Scored Loan

Microloans with pre-determined qualifying eligibility for working capital or asset purchase.

Credit Score	Working Capital		Equipment		Term in Months
	Startup Biz	Existing Biz	Startup Biz	Existing Biz	
600	\$2,500	\$5,000	\$2,500	\$5,000	<\$10,000 = 36
615	\$5,000	\$7,500	\$5,000	\$10,000	
625	\$7,500	\$10,000	\$7,500	\$15,000	<\$20,000 = 60
640	\$10,000	\$20,000	\$10,000	\$20,000	
680	\$10,000	\$20,000	\$15,000	\$30,000	>\$20,000 = 78
720	\$10,000	\$20,000	\$20,000	\$50,000	

- Increased speed of credit decision once a completed loan application is received
- No more than \$20,000 in working capital
- Ineligible Uses of Funds: No Franchise Fees, Construction, or Debt Refinance
- Closing costs: maximum 5% of loan amount plus \$100 Filing fee
- Secured by personal guaranty and UCC lien on all business assets



# Lending Process

What to expect when preparing and applying for a business loan

# ECDI Lending Process

- \$25 fee for background and credit check
- Gather required documentation (business plan, taxes, financials, etc.)
- Underwriting
- Letter of intent
- If not approved, you will understand why and build a plan to gain approval
- Post loan technical assistance and ongoing reporting and compliance requirements

**Application**

**Relationship  
Manager**

Training if  
Required

Loan Application and  
Packaging

Approval

Letter of  
Intent/Loan Closing

# Lending Process

-  **Application**
-  **Background Check**
-  **Checklist Review**
-  **Underwriting**
-  **Credit Decision**
-  **Review and Due Diligence**
-  **Loan Closing Scheduled**
-  **Closing**
-  **Funds Disbursement**
-  **Post-Loan Business Assistance and Training**
-  **Job Reporting and Financial Statements**



## Next Steps

### Here's what to do if you want to apply for a small business loan from ECDI:

1. If you have not already done so, visit: [ecdi.org/loans](https://ecdi.org/loans)
2. Click “inquire about a loan”
2. Gather required documents
  - Copy of State issued ID
  - 3 years of tax returns
  - Business financials or bank statements
3. You will be sent a link to the application from a Relationship Manager in your area



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# Questions?

Connect with us:



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Economic and Community  
Development Institute

[www.ECDI.org](http://www.ECDI.org)