



LEND DREAMS

USVI PROGRAMS



IN PARTNERSHIP WITH



USVI PROGRAMS

ABOUT US

- We are known as COFECC but Lendreams is our new brand name.
- We are a charitable 501(c)3 nonprofit.
- Headquartered in Puerto Rico since 1982 and authorized by the Federal Government to offer loan programs to the USVI.
- Certified by the US Department of Treasury as a Community Development Financial Institution.

OUR MISSION

LOANS. EDUCATION. SUPPORT.

- To promote, facilitate and execute economic development
- Community Revitalization
- Long-term job creation and retention
- Self-employment
- Business and Credit education
- Entrepreneurship through the establishment or expansion of micro, small and medium-sized enterprises

SBA MICROLOAN PROGRAM

- Since 1996, we have been offering this Program in Puerto Rico and now we also offer it in the US Virgin Islands.
- This program is funded by the Small Business Administration (SBA)
- Loans from \$500 up to \$50,000. For existing businesses we finance 100% of total Project costs and for new businesses we require a 10% equity contribution which can come from nonprofit and government incentives.
- The maximum term is 6 years.

SBA MICROLOAN PROGRAM

PURPOSES

- Acquisition of machinery and equipment
- Purchase of inventory or materials
- Improvements to the rental property
- Working capital in combination with the above

BUSINESS RECOVERY 80/20

80% IS A LOAN/20% IS A GRANT

FUNDED BY US DEPT. OF TREASURY'S CDFI FUND EQUITABLE RECOVERY PROGRAM FOR PR & USVI

80/20 BUSINESS RECOVERY LOAN & INCENTIVE PROGRAM



ELIGIBLE USES OF LOAN PROCEEDS (80%)

- Acquisition of materials, equipment, furniture and inventory.
- Refinancing of business debts.
- For working capital in combination with the previous uses that must be used to cover the operational expenses of the business.

ELIGIBLE INCENTIVE USES (20%)

- Support the resilience of businesses related to closures due to a Pandemic.
- Support business growth (avoid job losses or create more jobs) such as supporting wage spending or increasing employee benefits.
- Cover part of the cost of technological assistance and assistive equipment for business owners with a disability.

BUSINESS RECOVERY 80/20

80% IS A LOAN/20% IS A GRANT

ELIGIBILITY REQUIREMENTS

- Existing small businesses should have \$100,000 or less in revenue.
- Small businesses must face difficulty in accessing loans through existing financial institutions.
- New and established small businesses owned by low-income people.
- New and established small businesses owned by people with disabilities.
- Small businesses that have \$100,000 or less in revenue that suffered disruptions to their operations due to COVID closures.
- Applicants must not have been debarred and suspended from federal funding.
- All material, inventory and equipment to be acquired with loan and grant proceeds must be manufactured in the US.

BUSINESS RECOVERY 80/20 80% IS A LOAN/20% IS A GRANT USE OF PROCEEDS FROM \$500 UP TO \$15,000

80% LOAN

- ▶ Acquisition of machinery and equipment
- ▶ Purchase of inventory or materials
- ▶ Leasehold Improvements
- ▶ Working capital in combination with the above

20% GRANT

- ▶ BUSINESS RESILIENCE TO AVOID COVID CLOSURES (online marketing, we presence, outdoor dining, employee protection equipment, disinfecting supplies, etc.)
- ▶ TO SUPPORT JOB CREATION (payroll expenses or increased staff benefits)
- ▶ ASSISTIVE EQUIPMENT AND TECHNOLOGY FOR BUSINESS OWNERS WITH DISABILITIES.

SBA MICROLOAN PROGRAM BUSINESS RECOVERY 80/20

We offer personalized business technical assistance to all our borrowers in the microlending programs which is free of cost during the life of the loan.

- ✓ Marketing & Advertising
- ✓ Business administration
- ✓ Human Resources
- ✓ Permits and documents
- ✓ Business Innovation
- ✓ Business development



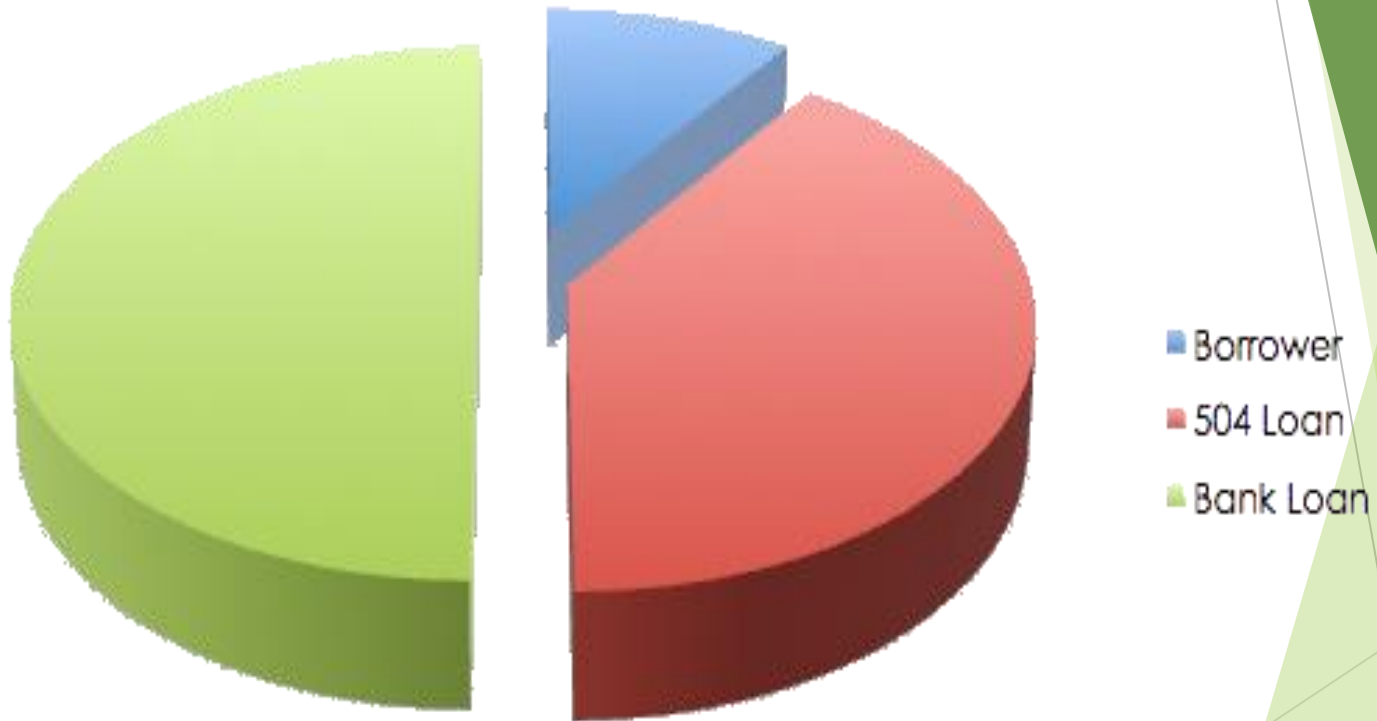
SBA 504 PROGRAM

- We are an SBA Certified Development Company. Our organization is a financial intermediary in this program to deploy SBA funding (through the issuance of a debenture bond) to small businesses.
- We offer this program in Puerto Rico and the US Virgin Islands.

504 PROGRAM

- Purchase of land, construction, acquisition and / or remodeling of commercial buildings.
- Purchase of machinery and equipment with a lifespan greater than 10 years.
- Improvements to rented property such as franchises.
- We may include equipment with a shorter useful life. This occurs frequently in franchise financing.
- Debt refinance only if debt was originated for the acquisition of commercial real estate or equipment with a lifespan greater than 10 years.

504 PROGRAM



504 PROGRAM

- Loans start from \$ 125,000 up to:
- \$ 5,000,000 in commercial / service
- \$ 5,500,000 in manufacturing and renewable energy cases.
- The term of the COFECC / SBA portion is 20 years (real estate) or 10 years for equipment.

504 PROGRAM

- The interest rate of the COFECC participation will be established at the time of the sale of the “debenture” (bond) and will be fixed for the term of the loan.
- The interest rate of the bank's participation will depend on the prevailing rate (prime rate + points). We require the bank to offer the 10 years with fixed interest rates and no balloons.

504 PROGRAM

- Business must be operated for profit and fall within the size standards set by the SBA.
- Tangible net worth not more than \$15 million.
- Average net income of \$5 million or less after federal income taxes for the preceding two years prior to application.
- Loans cannot be made to businesses engaged in nonprofit, passive or speculative activities.

504 PROGRAM

Eligibility requirements

- **If the loan is used for the purchase of a property:**
- The business must occupy about 51% of the property already in existence.
- If there is a new property to be built, the business must occupy at least 60%.

504 PROGRAM

Eligibility Requirements

- **Since these are economic development loans there is a job creation requirement that must be met after two years of loan funding:**
- **For regular small businesses, one job per each \$90,000 in financing**
- **For manufacturing small businesses, one job per each \$140,000 in financing**

DISCOUNT OFFERS FOR VETERANS

Veterans obtain a 50% discount on origination fees for an SBA Microloan or SBA 504 Loan.





COFECC



LENDREAMS

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