access capital for your small business



The Lyric, CCS CHFA business finance customer, Fort Collins

cash collateral support program

increase borrowing capacity • low-cost credit enhancement • streamlined approval

program description

The Cash Collateral Support (CCS) program helps small- and medium-sized businesses access capital that would otherwise be unavailable due to collateral shortfalls by providing cash deposits that act as collateral on your behalf.

Flexible and low-cost, CCS supports loans and lines of credit for most expenses, including:

- inventory,
- working capital, and
- equipment/real estate purchase.

However, CCS funds are not used to accomplish a project—they are held by your lender as collateral in support of your loan.

employee ownership

- One of the goals of this program is to facilitate the transition and financing of employee-owned businesses. The program may offer increased flexibility and larger collateral deposits for transactions supporting employee ownership.
- For more detailed information, please visit the Office of Employee Ownership website at oedit.colorado.gov/colorado-employee-ownership-office.

eligibility

Colorado small businesses and nonprofits are eligible to apply for Collateral Support. In order to qualify, you must have a collateral shortfall that is preventing your lender from moving forward in addition to meeting the full eligibility requirements spelled out in the CCS program guidelines.

applying for collateral support

Borrowers must request collateral support through their lender—you can not apply for support directly from CHFA. Share the lender focused information on the back of this flyer so they can understand how the program works for them.

In 1982 the Colorado General Assembly approved legislation permitting CHFA to utilize its bond proceeds for financing of small and moderate sized enterprises in Colorado. CHFA's Business Finance Team is the state's leading resource partner in community and economic development finance. Our mission is to increase the economic viability of businesses and communities statewide by providing long term, fixed rate financing.

CHFA Community Development

1981 Blake Street
Denver, Colorado 80202

303.297.chfa (2432)
800.877.chfa (2432)

348 Main Street
Grand Junction, Colorado 81501

970.241.2341
800.877.8450

www.chfainfo.com

chfa®
financing the places where people live and work

07/24.v3

cash collateral support



chfa community development

additional collateral • credit enhancement • streamlined program

program description

Cash Collateral Support (CCS) is designed to help small and medium sized businesses access capital that would otherwise be unavailable due to collateral shortfalls. Lenders can apply for up to 35 percent of the loan amount or $1,000,000, whichever is less, in collateral support to strengthen small business loan applications. The maximum loan size that CCS supports is $20 million, and the business borrower must have fewer than 750 employees at the time of the financing.

lender benefits

- Low cost credit enhancement option
- Deposits are held by the partner lender
- For-profit, nonprofit, and manufacturers are eligible

applying for collateral support

Lenders may apply for a cash deposit to hold as additional collateral for qualified business loans. To be eligible for collateral support, lenders must demonstrate that there is (1) a collateral shortfall and (2) there is a reasonable expectation that the business borrower will repay the loan as agreed. Lender and business applications are available online at chfainfo.com/ccs.

costs and terms

CHFA deposits may be used on most types of business loans. Cash deposits are pledged as additional collateral to the lender for an initial term of three years. For longer-term loans, lenders may request an extension for up to 10 years. Contact a CHFA commerical lender for more information.

In 1982 the Colorado General Assembly approved legislation permitting CHFA to utilize its bond proceeds for financing of small and moderate sized enterprises in Colorado. CHFA's Business Finance Team is the state's leading resource partner in community and economic development finance. Our mission is to increase the economic viability of businesses and communities statewide by providing long term, fixed rate financing.

CHFA Community Development

1981 Blake Street
Denver, Colorado 80202

303.297.chfa (2432)
800.877.chfa (2432)

348 Main Street
Grand Junction, Colorado 81501

970.241.2341
800.877.8450

www.chfainfo.com

chfa®
financing the places where people live and work