

“How To Get There From Here”

SBDC Business

Counseling Services

Confidential business counseling and plan preparation services are available through Small Business Development Centers (SBDC) in the Upper Arkansas Area Development Corporation service area. These services can help you reach your goals by assisting with development of the required information and planning necessary to secure financial assistance.

To find the nearest SBDC Center visit
the SBDC web site.

coloradosbdc.org

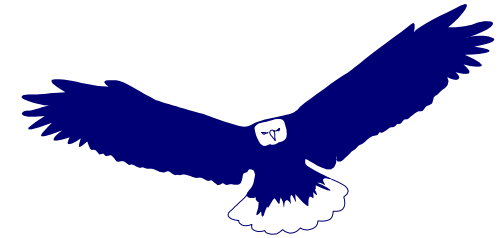
Go to the left Column and scroll down to:

New Visitors:

Find a nearby SBDC by entering your zip code.

Upper Arkansas Area
Development Corporation
P. O. Box 1212
Buena Vista CO 81211-1212

THE UPPER ARKANSAS AREA
DEVELOPMENT CORPORATION



HELPING BUSINESSES SOAR
TO NEW HEIGHTS

Serving Chaffee, Custer,
Fremont, Lake, Park and Teller
Counties

Offers Two Financing Programs
To Assist Businesses

THE UPPER ARKANSAS AREA DEVELOPMENT CORPORATION



What Is The Upper Arkansas Area Development Corporation?

The Upper Arkansas Area Development Corporation (UAADC) is a non-profit organization created by the Upper Arkansas Area Council of Governments to provide financing assistance to new and expanding for-profit businesses in Chaffee, Custer, Fremont, Lake, Park and Teller Counties. Each county is represented on a six member Board of Directors.

UAADC financing programs are not intended to compete with or replace private sector financing. A genuine effort to secure private sector financing is required of all borrowers.

Two Finance Programs Available to Help You Achieve Your Goals

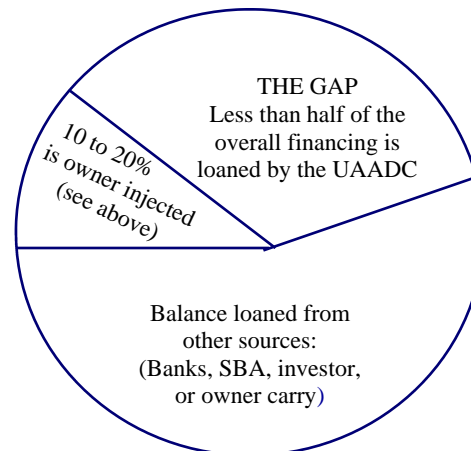
The "GAP" loan program is designed to assist a borrower obtaining a primary business loan but needs to fill a financing "gap" to complete the overall financing needs of the business. The borrower obtains a loan commitment from the primary lender first and then seeks a UAADC GAP loan to fill remaining needs. A successful financing structure includes a greater-than-half loan with a primary lender and a gap-filling loan with the UAADC.

The "Direct" loan program is designed for a borrower having exhausted typical sources of financing and needs a loan amount generally under \$30,000.

"GAP" LOAN REQUIREMENTS

"GAP" financing literally fills a "gap" remaining after the primary lender determines it cannot lend all necessary financing. Typical "GAP" loans provide about one-third, but less than one-half of the total financing needs of the business. "GAP" financing provides flexible collateral and loan term with a current-prime interest rate.

- One full-time job created per \$20,000 loaned
- Owner cash injection of 10% of the total project
- Restaurant projects require 20% owner injection
- Minimum UAADC "GAP" loan is \$5,000
- Maximum UAACOG "GAP" loan is \$125,000
- Loan interest rate is current prime
- Loan term adjusted to needs of borrower
- Flexible collateral requirements
- Personal guarantee is required
- Fees: \$50 application fee; 2% origination fee; \$150 closing cost
- Refinancing is not a function of UAADC



"DIRECT" LOAN REQUIREMENTS

- Borrower is unable to access typical financing by not meeting bank-lending policies
- Maximum loan is 'generally' under \$30,000
- Minimum loan is \$5,000
- Owner cash injection of 10% of the total project
- Restaurant projects require 20% owner injection
- Interest rate above prime and based on risk
- Loan term varies but usually under 5 years
- Flexible collateral requirements
- Personal guarantee required
- Fees: \$50 application fee; 2% origination fee; \$150 closing cost
- Refinancing is not a function of UAADC

**For More Information, Call
The Upper Arkansas Area
Development Corporation**

719-395-2602

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