



FAST FACTS



CEO MICROENTERPRISE LOAN

What is CEO? Visit us on the web at www.irc-ceo.org

The IRC's Center for Economic Opportunity (CEO) is a national, non-profit financial institution that offers small-dollar loans to New Americans and other credit-thin individuals. We offer practical loans at affordable rates that promote upward economic mobility of our borrowers.

What are Microenterprise Loans?

CEO Microenterprise Loans offer participants enrolled in IRC's Microenterprise Development Programs access to capital to start or expand small businesses.

Who can apply?

CEO's loans are designed to help individuals engaged with IRC's related economic development programs. As with all CEO loans, applicants must complete training on banking and credit. For Microenterprise Loans, CEO also requires that all applicants be enrolled in an IRC Microenterprise Development Program. Some IRC offices may have additional requirements for program participation depending on local capacity – ask your local IRC office about any additional terms.

It is important to note that being **eligible to apply** for a loan is very different than being **approved for a loan**. Approvals are handled by CEO staff and not IRC. Please review the document titled '[How CEO Makes Loan Decisions](#)' for important information on getting approved for a CEO loan.

What are the loan terms?

Loan Amount	Term Options	Fixed Interest Rate*	Closing Fee*
Under \$10K			
\$500 - \$10,000	Up to 18 Months	0%	0%
\$2,500 - \$10,000	19 - 36 Months	1.99%	2%
\$5,000 - \$10,000	37 - 60 Months	2.99%	2%
Up to \$50K			
\$10,001 - \$50,000	Up to 72 Months	7.75%	2%
<small>*Interest rates shown reflect discount of -1% for enrollment in CEO's Digital Package -which includes electronic disbursement, automatic repayments, e-billing and SMS account update</small>			

- ✓ **No Hidden Fees**
- ✓ **No Late Fees**
- ✓ **No Insufficient Funds Fees**
- ✓ **No Prepayment Penalties**
- ✓ **No strings!**

How much does the loan cost?

The monthly payment amount will depend on the total loan amount, the number of months to repay and the interest rate of your loan. Generally, the longer the repayment on a loan, the lower the monthly payments but the higher the total interest paid will be. See right for a couple examples.

Loan Amount	Term	Interest Rate	Monthly Payment	Total Interest & Fees Paid
\$ 10,000	48 months	0%	\$ 208.33	\$ -
	72 months	7.75%	\$ 371.72	\$ 2,542.79
\$ 15,000	48 months	7.75%	\$ 308.40	\$ 3,204.09
	60 months	7.75%	\$ 266.39	\$ 3,880.42
	72 months	7.75%	\$ 743.45	\$ 5,085.59
\$ 30,000	48 months	7.75%	\$ 616.80	\$ 6,408.18
	60 months	7.75%	\$ 532.79	\$ 7,760.85
	72 months	7.75%		

*Total interest and fees paid includes the 2% closing fee

Other things to consider

- ✓ Loan applications of more than \$20,000 require internal approval and an external loan committee approval, leading to increased time and scrutiny before final decision is made.
- ✓ You will need a business plan and 12-month business cash flow projections to submit with your loan application over \$10,000. IRC business counselors can help you with these documents.
- ✓ Businesses that derive a majority of their sales from alcohol, tobacco, firearms, federally outlawed substances, and/or adult entertainment are NOT eligible for financing.
- ✓ Co-signors and Collateral are not required, but will help strengthen an application.
- ✓ Applicants must have an ownership role in a for-profit business, operating within the U.S.
- ✓ Funds must be used for business expenses; including, but not limited to:
 - Equipment, machinery, vehicles
 - Inventory, supplies, raw materials
 - Licensing and Permitting Fees
 - Legal and Professional Fees
 - Website, software, and other technology
 - Marketing and Branding materials
 - Working Capital

How to Apply

1. Visit your local IRC office to complete a CEO Loan Application and meet with a Business Counselor. Here's a list of the items you'll need for the loan request:

✓ Personal e-mail address	✓ 2 most recent pay stubs OR 2 months of verifiable business income statements
✓ Valid government-issued ID	✓ Previous year tax return (personal and business)
✓ US Bank acct + Voided check/Direct Deposit Form	✓ Business plan and 12-month business cash flow projections
✓ 2 most recent monthly bank statements (personal and business)	
✓ Business license, Articles of Incorporation, EIN if available	
2. IRC will upload your application and attachments to CEO, and let you know if we have any questions (loan decisions are usually made within one week of application).
3. If approved, you may need to come back to IRC's office to sign your loan contract.
4. If collateral is offered as a condition of loan approval, you will need to release your interest in the asset and provide the title or other legal ownership record before funds are made available to you.
5. Funds are usually available within 2 business days after signing the loan contract.

Your local IRC contact will be able to answer any additional questions you might have.

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-FOR INFORMATION CONTACT THE DEPARTMENT OF BUSINESS OVERSIGHT, STATE OF CALIFORNIA