

Detroit Small Business Loans

A Guide to Help you Find the Right Loan

	SBA Loan	Non-SBA Loan
FAQ's	SBA Community Advantage	Activate Detroit
How much money can I get?	◆ Up to \$250,000	◆ Up to \$100,000
What's the minimum credit score?	◆ 620	◆ No minimum credit score required. Credit reports will be pulled but scores will be blinded
What is the eligibility criteria?	<ul style="list-style-type: none"> ◆ Open to all legal, for-profit businesses ◆ Must be located in Macomb, Wayne, or Oakland County ◆ Special consideration for target market customers: those in low to moderate income areas and to Hispanic or African American owned businesses ◆ Start-up businesses eligible 	<ul style="list-style-type: none"> ◆ Open to all legal, for-profit businesses ◆ Must be located in Macomb, Wayne, or Oakland County ◆ Must be a Black/African American owned business ◆ Minimum 3 months of proven sales
What are the program features?	<ul style="list-style-type: none"> ◆ Free business advising as needed ◆ Start up businesses are eligible ◆ Higher loan maximum 	<ul style="list-style-type: none"> ◆ Free Pre and Post loan business advising required ◆ 3% of your loan amount will be granted to you in the form of a reserve that can be tapped into in times of distress to help pay down your loan balance ◆ We will work with you to create flexible repayment structures on a case-by case basis
What can I use the funds for?	<ul style="list-style-type: none"> ◆ Inventory, equipment, working capital, business acquisition, debt refinancing, business startup, commercial real estate purchase and refinance, and building improvements 	<ul style="list-style-type: none"> ◆ Minimal documentation requirements ◆ Inventory, equipment, working capital, business acquisition, debt refinancing, commercial real estate purchase and refinance ◆ Building improvements not eligible
What is the interest rate?	<ul style="list-style-type: none"> ◆ Prime + 2.75-6.0% Variable ◆ Prime rate is currently at 3.25% as of 10/13/2021 	<ul style="list-style-type: none"> ◆ 9% Fixed
How long do I have to pay the loan back?	<ul style="list-style-type: none"> ◆ 7-10 years 	<ul style="list-style-type: none"> ◆ 10 years for non-commercial real estate (CRE), and maximum 25 years for CRE purchases or refinances
Do I have to pay any fees?	<ul style="list-style-type: none"> ◆ Approximately 2-4% of loan 	<ul style="list-style-type: none"> ◆ No fees
Is there any collateral required?	<ul style="list-style-type: none"> ◆ UCC filing, Any assets financed 	<ul style="list-style-type: none"> ◆ No collateral required for approval, lien on any commercial real estate financed
What are the down payment/equity injection requirements?	<ul style="list-style-type: none"> ◆ Start-ups and business acquisitions require a 10% down payment/equity injection 	<ul style="list-style-type: none"> ◆ No down payment/equity injection required