

# colorado credit reserve



access to  
capital

economic  
development

lender  
advantages

## program description

The Colorado Credit Reserve (CCR) program creates greater access to capital for small businesses by providing an incentive for banks to lend \$500,000 or less to small businesses.

CCR creates a pooled reserve account to fund losses associated with the loans registered in the program. The account is established at each participating bank to offset their particular lending losses.

A fee charged to the borrower and a CCR fee paid by CHFA fund the reserve account. Additional funds are deposited to the account for CCR loans made to women-/minority-owned businesses and businesses located in Enterprise Zones.

Small businesses can receive loans for working capital, equipment, lines of credit, and real estate. Examples of businesses that can benefit are for-profit, nonprofit, commercial, industrial, and agricultural firms. The process is virtually transparent to the borrower since the bank makes all the credit decisions. Lenders must register with CHFA to become a participating lender in the program. There is no cost to enroll.

## ccr impact

*results to date*

Program funds invested	\$2.45 million
Loan proceeds leveraged	\$61.67 million
Number of loans registered	1,611
Women-owned businesses	38 percent
Minority-owned businesses	13 percent
Jobs impacted	15,165

To learn more, please visit our website at [chfainfo.com/business-lending/Pages/credit-enhancements.aspx](http://chfainfo.com/business-lending/Pages/credit-enhancements.aspx), or contact our Community Development Division.

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 Community Development lending 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 Lending

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*financing the places where  
people live and work*

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## frequently asked questions

- q *Will CHFA underwrite registered loans?*

a No. Only the registering bank will underwrite the loan. However, CHFA will check eligibility.
- q *What types of businesses are eligible?*

a Most businesses based in Colorado including for-profit, nonprofit, and agricultural business.
- q *What types of loans are eligible?*

a Loans for working capital, equipment, lines of credit, and real estate.
- q *Does the program set the interest rate on registered loans?*

a No. The program will collect information on program loans but CCR's guidelines do not set maximum or minimum rates.
- q *How does a bank determine the fee?*

a The originating bank should consider what is normally charged for origination fees, their comfort with collateral, and risk level of the loan.
- q *How do I find a participating lender?*

a Visit our website at [chfainfo.com/business-lending/Pages/lenders.aspx](http://chfainfo.com/business-lending/Pages/lenders.aspx) for the list of participating lenders.