Small Business Finance Sources
South Plains Asso. Of Govt’s.

- State Planning Region 2
- Coverage Area 15 Counties and 47 Cities
- Land Area of 13,618 square miles

- Larger than the states of Connecticut, Delaware, Hawaii, Maryland, Massachusetts, New Hampshire, New Jersey, Rhode Island and Vermont

- Population of the region is 411,659 according to the 2010 census
Revolving Loan Funds

• Established in 1996 with EDA grants

• Initial investment included $1.5 million in Federal Funds and $.5 Million in private investment

• 61 loans funded for total of over $8 million

• Projects totaling $24 Million

• Economic impact of more than 800 jobs saved and/or created
Revolving Loan Funds

• Loan funds used for purchase of fixed assets, financing working capital, and refinancing accounts receivable

• Eligible borrowers include for-profit and non-profit businesses

• Loans made to start-up as well as established businesses

• Must create and/or save 1 job per $10K loaned
Caprock Business Finance Corp.

• 1982 SPAG established separate non-profit certified development corporation

• Authorized by U.S. Small Business Administration to underwrite, originate, and service 504 loans

• Actively packages SBA 7(a) loan applications
Caprock Business Finance Corp.

- 504 eligible loans include purchase of land and buildings, construction, renovations, purchase of equipment, and some refinancing

- 7(a) loans include land and buildings, working capital, FFM&E

- All eligible businesses must be for-profit and include start-ups as well as established
Caprock Business Finance Corp.

• 1982 First loan made ($303,000)

• To date, 227 loans made with total funds of more than $87 Million

• Total project value of more than $225 Million

• 5,100 jobs created/retained
Roadblocks to Financing

• Tight credit conditions in the commercial banking system

• Lack of information available to certain small business owners

• Risks associated with current economic conditions

• Lack of awareness of alternative loan products
Removing the Roadblocks

• Offering partnerships to commercial banking industry

• Reducing the overall risk exposure for commercial banks to encourage lending

• Access to alternative loan programs through educational efforts

• Application packaging streamlines the process
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