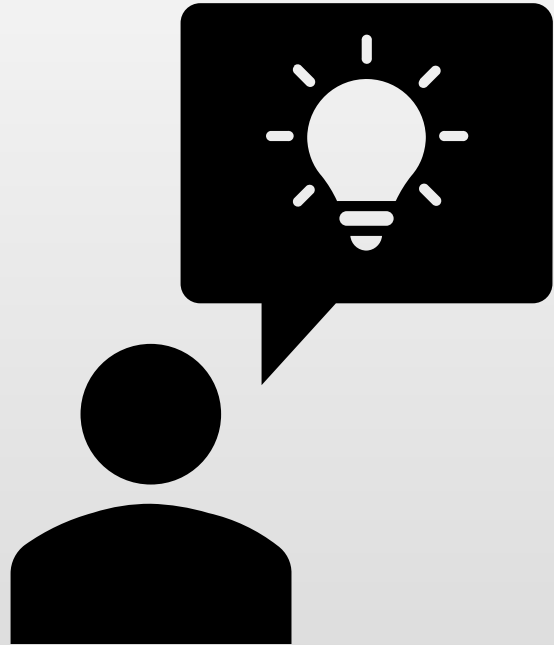




CHWYB DBF  
CHEROKEE NATION®

SSBCI

State Small Business Credit Initiative



Have you been wishing you could start your own business?

Do you already have a business you wish you could expand?

Cherokee Nation's SSBCI Loan Program may be right for you!

# SSBCI Loan Program



Cherokee Nation's SSBCI Loan Program helps businesses get access to the financing needed to start or expand.

Cherokee Nation partners with financial institutions to fund a portion of the business' start-up or expansion costs.

That means the bank doesn't take on as much risk, and the business owner does not have to provide as much equity as is normally required.

# Private Capital Leveraging

## What does that mean?

For every \$1 of SSBCI loan funds, the borrower must obtain at least \$1 in loan funds from a private financial institution (for example, a bank, credit union, or Community Development Financial Institution)



# Loan Amounts

**\$5 million**

Maximum SSBCI Loan

**\$20 million**

Maximum Project Cost

# Loan Terms

- Interest rate currently 5-7%
- Maximum term 15 years, amortized up to 20 years
- Collateral required
- 1% Origination fee
- No prepayment fees



# Eligibility

Federally recognized tribal citizens in the following Oklahoma counties:  
Adair, Cherokee, Craig, Delaware, Mayes, McIntosh, Muskogee, Nowata,  
Ottawa, Rogers, Sequoyah, Tulsa, Wagoner, Washington

Cherokee Nation citizens throughout the United States

US citizens in Cherokee Nation Opportunity Zones

# Cherokee Nation Opportunity Zones



180+ designated census tracts inside and contiguous to the Cherokee Nation in which eligibility for SSBCI Loans is expanded to all US citizens and more advantageous loan terms are offered.

Use the QR code on the next slide to access an interactive map. Enter the address of your personal residence or your business address to determine if you are eligible for Cherokee Nation Opportunity Zone incentives.

# Cherokee Nation Opportunity Zones

## Incentivizing investment and providing opportunities in designated areas

- 180 census tracts
- Tracts with poverty rate  $\geq 19\%$  or counties with persistently high poverty
- Tracts inside and contiguous to the 14 counties of Cherokee Nation
- SSBCI Program eligibility expanded to all US citizens residing or operating a business in a Cherokee Nation Opportunity Zone

Cherokee  
Nation  
Opportunity  
Zones  
Interactive  
Map

[www.cherokee.org](http://www.cherokee.org)

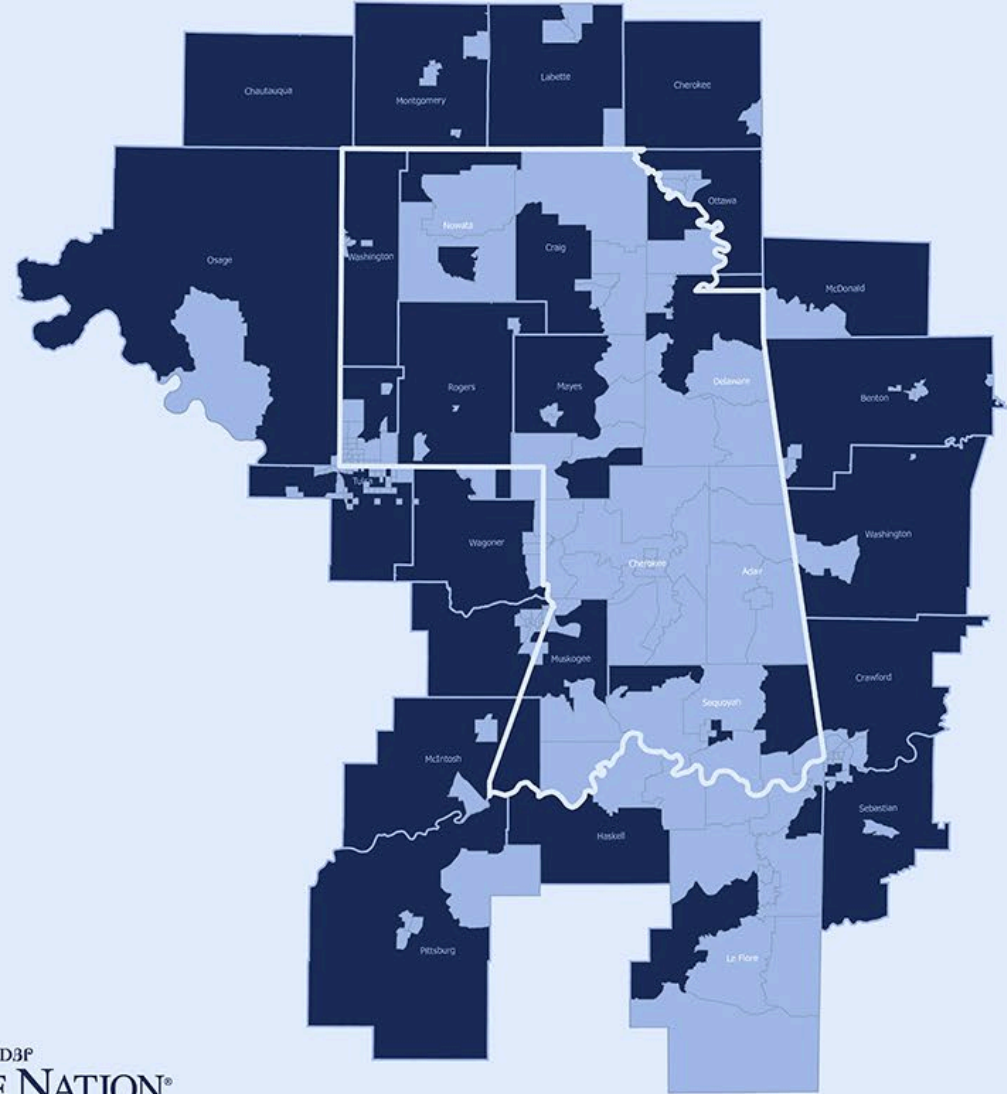
All Services

Commerce Services

Opportunity Zones



# CHEROKEE NATION OPPORTUNITY ZONES



GWYN D&P  
CHEROKEE NATION®

# Cherokee Nation Opportunity Zone Incentives

## Micro Enterprise Loans

- Loans  $\leq$  \$25,000 for businesses with fewer than 5 employees
- Up to 100% project financing
- Interest rate: 2% below CNEDTA base rate
- Career Services On the Job Training support
- Community-based entrepreneurial training

# Cherokee Nation Opportunity Zone Incentives

## Small Business Loans

- Loans from \$25,001 to \$5 million
- Up to 100% project financing
- Interest rate: CNEDTA base rate + 0 - 2%
- Career Services On the Job Training Program
- Community-based entrepreneurial training

# Eligible Use of Funds

- ✓ Start-up costs, working capital, and franchise fees
- ✓ Acquisition of equipment and inventory
- ✓ Services used in producing, manufacturing, or delivering goods or services
- ✓ Purchase, construction, renovation or tenant improvements of an eligible place of business
- ✓ Funds may be used to purchase tangible and intangible assets except goodwill

# Ineligible Businesses



⊘ Speculative Activities

⊘ Gambling Activities

⊘ Lending Activities

⊘ Real Estate Passive Income

⊘ Pyramid Sales

⊘ Prohibited Activities

⊘ Businesses with 500+ employees



# Ineligible Uses of Funds

❌ Passive Investments

❌ Owner Reimbursement

❌ Delinquent Income Tax

❌ Ownership Interest

❌ Delinquent Sales Tax

❌ Delinquent Payroll Taxes

# Next Steps

## BANK

Apply for loan with bank

Notify bank of desire to use SSBCI; bank will reach out to Cherokee Nation



## CHEROKEE NATION SSBCI

Bank sends the loan application to Cherokee Nation

Cherokee Nation makes lending decision



## LOAN FUNDING

If approved, bank and SSBCI loan closed at the same time

Borrower will have two loans; one with the bank and one with Cherokee Nation

# FAQs



**Q: Am I automatically eligible for an SSBCI loan if I am a Cherokee Nation citizen?**

A: No, applicants must meet credit criteria including having the ability to obtain private financial institution funding, have a viable business or business plan, have an acceptable debt to income ratio, and satisfactory credit history.

**Q: Where do I get an application?**

A: Borrower only needs to complete the private financial institution's application; Cherokee Nation does not require a separate application. Borrower should notify the lender that they are interested in Cherokee Nation's SSBCI Loan Program.

# FAQs



**Q: What bank or private financial institution do I have to use?**

A: Borrower can use any financial institution willing to work with Cherokee Nation.

**Q: What if my bank doesn't know about the SSBCI Program?**

A: You can do one of two things; pass on the SSBCI contact information OR contact Cherokee Nation's SSBCI Program yourself and we will reach out directly to your lender to discuss the program.

# FAQs



**Q: Is this a grant?**

A: No, this is a loan that must be repaid

**Q: What is passive real estate income?**

A: Income generated from rental activities and other real estate investments

**Q: Can SSBCI funds be used to construct a brick and mortar location for my business to operate from?**

A:Yes

# FAQs

**Q: If the maximum loan size is \$5 million, does that mean the Cherokee Nation loan cannot be more than \$2.5 million since it requires 1:1 leveraging?**

A: No, the maximum Cherokee Nation loan is \$5 million; if you receive a \$5 million Cherokee Nation SSBCI loan, you must have a loan with a private financial institution of at least \$5 million.

**Q: What does maximum project cost mean?**

A: The total amount of starting or expanding your business cannot exceed \$20 million.

# FAQs

**Q: Will I have two separate loans?**

A: Yes, you will have one loan with a financial institution and one loan with Cherokee Nation.

For more information contact

**Cherokee Nation Small Business  
Assistance Center**

[sbac@cherokee.org](mailto:sbac@cherokee.org)

918.453.5536