Community Small Business Advance

What is a Community Small Business Advance?

Community Small Business Advances allow members to borrow at zero-percent in support of small business lending.

How can you participate?

- The application process is open year-round as long as the annual program allocation is available

- Members are encouraged to reserve subsidy prior to funding their small business loan

- A member must complete the Community Small Business Advance application and certify eligibility of the small business

- Members will have 120 days from the date of pre-approval to execute the advance

What are the benefits?

- Lower cost of funds

- Potential Community Reinvestment Act credit

- Support for small businesses and community revitalization efforts

Learn More:

For more information on the Community Small Business Advance, please contact the Member Transaction Desk at mtd@fhlbc.com or 855.345.2244, option 1.

Key Program Elements:

- Eligible Projects: Loans supporting small businesses in Illinois and Wisconsin. Must meet both of the following beneficiary types:

    - **Geographic beneficiary:** The project is located in a low- or moderate-income census tract, defined as 100% of area median income or below per FFIEC.gov census track data

    - **Activity beneficiary:** The project qualifies as a small business by either annual receipts or number of employees, based on the United States Small Business Administration (SBA) regulations, which utilize the North American Industry Classification System Codes

- Annual program and member (or holding company with multiple members) limits of interest-rate subsidy apply

- The underlying loan must be at least $100,000 and have a term of 1 year or more and the amount and term of the advance (limited to 10 years) cannot exceed that of the underlying loan

- A member's underlying loan cannot be greater than 90 days old when drawing the Community Small Business Advance

- The interest rate charged to the borrower cannot exceed 4.5%

- Members will certify compliance with program terms at the time of application

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