Advantage Illinois will accelerate investments and ease the credit crunch for small businesses, thanks to more than $78 million from the federal State Small Business Credit Initiative (SSBCI) of the Small Business Jobs Act of 2010. Advantage Illinois consists of three programs to spur institutional lending to small businesses, with 750 or fewer employees, and one program to leverage private venture capital in start-ups and high-growth businesses. Illinois expects to generate a minimum “bang for the buck” of at least $10 in new private lending for every $1 of federal funding provided through this program, meaning at least $800 million in private dollars pumped into the economy to grow the small business sector.

**Institutional Lending**

- **Capital Access Program (CAP)**
  - Reduces amount of capital lenders need to establish loan reserves
  - Mitigates lender risk with minimal administrative/servicing burden
  - Creates a pool which offsets shortfalls remaining after lenders liquidate individual loans
  - Helps finance larger projects now that the maximum loan size has been increased to $1M
  - Helps borrowers qualify for loans for which they wouldn’t normally be eligible

- **Collateral Support Program**
  - Mitigates lender risk through additional cash collateral on deposit with lender
  - Increases lender’s deposit base as DCEO provides funds under same rates and terms as other normal bank clients
  - Supplements borrower’s pledged collateral when its own is deemed insufficient by lender
  - Helps borrowers qualify for loans for which they wouldn’t normally be eligible

- **Participation Loan Program (PLP)**
  - Mitigates lender risk since DCEO purchases part of the loan and takes a subordinate position to lender
  - Provides borrowers with a lower interest rate when lender and DCEO rates are combined
  - Increases DCEO support per FTE to $25K-$65K
  - Helps borrowers qualify for loans for which they wouldn’t normally be eligible

**Venture Capital**

- **Invest Illinois Venture Fund (IIVF)**
  - Speeds commercialization of research discoveries in high-growth sectors
  - Helps small business attract private investment
  - Increases number of viable start-ups in Illinois
  - Help businesses commercialize research discoveries faster

“Small businesses are the backbone of Illinois’ economy, and the Great Recession was tough on them. Advantage Illinois will be a shot in the arm to our small businesses. By working with the state’s lending community and venture capitalists, we’ll get entrepreneurs and small businesses expanding and creating new jobs at a faster rate.”

*Governor Pat Quinn*

Visit: www.ildceo.net/AdvantageIllinois  •  Email: CEO.AdvantageIllinois@illinois.gov  •  Call: 800-252-2923

Administered by the Illinois Department of Commerce & Economic Opportunity