

## **Wyoming Participation Challenge Loan Program Loan Guarantee - Fact Sheet**

The 2005 Wyoming Legislature enacted a bill that will create another option to the Wyoming Partnership Challenge Loan Program. This primary change will allow the State of Wyoming to guarantee a portion of a loan made by a Bank to businesses that are starting, expanding or relocating to Wyoming (very similar to an SBA or Rural Development B&I Guarantee). The following are the key points of the legislation.

- The Applicant is a local Commercial Lender
- The business cannot qualify for a Federal Guarantee
- The State of Wyoming's guarantee of the loan shall have at a minimum, the following terms and conditions:
  1. Loan fee shall be 1% of the initial principal of the entire note
  2. Maximum guarantee is 80%
  3. Maximum guarantee is for ten years (the note may be amortized longer)
  4. The State will pay up to 80% of the bank loss after all liquidation and recovery from guarantors, not to exceed \$100,000 per loan guaranteed
- Applicants should use the Wyoming Partnership Loan Guarantee Application
- Use and attach the local commercial lenders analysis, documentation checklist and all required documents.

The Application, Fact Sheet, Rules and Regulations for this program are available on the Wyoming Business Council website at [www.wyomingbusiness.org](http://www.wyomingbusiness.org) (look under Financial Resources – Loan Programs)

If you have any questions please call the Wyoming Business Council Office.

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