



# City of Monterey Park News Release

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## LA County Launches Affordable Loans to Stabilize Small Business

*Affordable and flexible loans up to \$3 million to support and stabilize small businesses impacted by the COVID-19 pandemic*

Monterey Park, Calif. - January 26, 2021 - Los Angeles County will soon launch an affordable and flexible [Small Business Stabilization Loan Program](#) to support and help stabilize businesses in the region. The application period opens Thursday, January 28, 2021.

Small Business Stabilization Loans range from \$50,000 to \$3 million and can be used for working capital, equipment purchases, inventory, or refinancing of existing loans at higher interest rates.

Businesses must have a physical location within Los Angeles County and must have been in operation for a minimum of two years at time of application. Other restrictions apply.

### Loan Details

**Amount:** Minimum: \$50,000, Maximum: \$3,000,000.

**Interest rate:** Fixed Wall Street Journal Prime rate. (Currently at 3.25%).

### Loan Term:

Working Capital: 5-7 years

Equipment: Up to 10 years

Real Estate Acquisition and Construction: Up to 20 years.

**Repayment:** Loan payments deferred for first 12 months for non-guaranteed loans. Interest will accrue. Payments will be due and payable starting on the 13th month after the funding date. Loans guaranteed by the Disaster Relief Loan Guarantee Program are subject to interest-only payments for the first 12 months; principal and interest payments will begin on the 13th month after the funding date. No prepayment penalty. Uniform Commercial Code Filing required.

**Origination Fees:** None for loans under \$100,000. 1.5% for loans above \$100,000. 2.5% of loan amount plus \$250 for document processing fee for loans guaranteed under the Disaster Relief Loan Guarantee Program.

**Job Creation:** A minimum of one full-time equivalent job must be retained or created per \$75,000 of loan assistance.

For more information on how to apply, loan requirements, and eligibility, please visit the Los Angeles County Development Authority website at <https://bizstabilization.lacda.org/> or contact the [City of Monterey Park Economic Development team](#) at 626-307-1385. Our team can also assist with other resources to help Monterey Park businesses recover and keep workers employed.

### Media Contact

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