

Bank of Guam Becomes First Lending Partner

August 7, 2012

Have you been dreaming of opening a small business? Think it's just out of reach or the bank won't finance the start-up capital you'll need? Governor Eddie Baza Calvo and Lt. Governor Ray Tenorio found a solution for you. Now, you can go to Bank of Guam with a better chance of getting that loan.

"This program will help create jobs. It will help businesses expand to meet growing demands. In fact, this new initiative will help anyone who is thinking about starting a local company," Governor Calvo said.

Up to \$13.1 million may be available to help local, small businesses succeed, thanks to a new program launched by the Guam Economic Development Authority (GEDA), in partnership with the Bank of Guam. Recently, the bank and GEDA signed the first Lender Participation Agreement of Guam's State Small Business Credit Initiative (SSBCI). More banks are expected to sign similar agreements in the future.

How This Works

GEDA was approved to receive \$13.1 million from the U.S. Department of the Treasury to generate small business loans taken out at participating banks. The use of these funds can leverage up to \$131 million in loans by these participating banks.

If you are an interested small business owner, please contact Keven Camacho, Bank of Guam at 472-5165 for information on how to apply and eligibility requirements. You can also contact Rachel Leon Guerrero from GEDA at 647-4332 for more information.

"This administration is committed to helping our people reach their dreams," Lt. Governor Tenorio said. "And with partners like the Bank of Guam and other fine local banks, we as island leaders can help people reach those dreams."

The SSBCI program is for entrepreneurs who might not be qualified under standard commercial lending practices by sharing the risk in the form of loan guarantees. This money can be used to start, or expand a small business, and create jobs.

"This is great for Guam's economy and Bank of Guam is proud to be a part of this program," said Lou Leon Guerrero, Bank of Guam's President, CEO and Chair of the

Board. “We are excited to offer this new product to Guam’s small business community geared towards entrepreneurship and expansion.”

With this program, the lender initiates the loan by underwriting, qualifying and submitting enrollment candidates to GEDA. GEDA then reviews the application and approves enrollment based upon the SSBCI program guidelines. Enrollment in the Loan Guarantee Program provides lenders a cash guarantee up to 75 percent of the total loan amount, held at the participating lender’s institution.

“GEDA is excited about the SSBCI Program and the positive impact it will have on our economy,” said Karl Pangelinan, GEDA Administrator. “We thank Bank of Guam for making this commitment to the SSBCI Program and for partnering with GEDA to enhance Guam’s small business community.”

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For more information, or to schedule an interview, call Troy Torres at 475-9304 or 486-8887.



Bank of Guam and the Guam Economic Development Authority partnered together to launch the new State Small Business Credit Initiative (SSBCI) on August 3, 2012. Seated from the left are Karl Pangelinan (GEDA Administrator) and Lou Leon Guerrero (BOG Board Chair, President and CEO. Lester Carlson and Rachel Leon Guerrero, both of GEDA, witness the signing.