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News Release

Micro-loans available for rural small businesses in 47 Georgia counties

USDA Rural Development recently approved Small Business Assistance Corp. (SBAC) in Savannah to provide micro-loans – loans less than \$50,000 - to small rural businesses through the Rural Microentrepreneur Assistance Program (RMAP). SBAC is receiving a \$400,000 loan and a \$100,000 grant.

“This should be another avenue of support for rural entrepreneurs in need of loans,” said Donnie Thomas, acting state director. “We realize that many small businesses are running into problems accessing capital. We hope this program will help.”

Not all counties are currently covered by an intermediary agency. Rural Development provides funds to intermediaries, who in turn work directly with businesses. They have indicated which counties they will serve.

Small Business Assistance Corp. (SBAC) in Savannah will provide service to: Appling, Atkinson, Bacon, Ben Hill, Berrien, Bleckley, Brantley, Brooks, Bryan, Bulloch, Burke, Camden, Candler, Charlton, Clinch, Coffee, Cook, Dodge, Echols, Effingham, Emanuel, Evans, Glascock, Irwin, Jasper, Jeff Davis, Jefferson, Jenkins, Johnson, Lanier, Laurens, Long, McIntosh, Montgomery, Pierce, Pulaski, Screven, Tattnall, Telfair, Tift, Toombs, Treutlen, Turner, Twiggs, Washington, Wayne, Wheeler, Wilcox and Wilkinson.

As businesses pay back loans, the funds are then available to re-lend to another business, creating a renewable loan resource.

States do not get a set aside allocation and were initially told \$4 million would be available nationwide. However, the U.S. government is currently under a continuing resolution, so specific funding amounts for FY2011 will not be known until a budget is signed by Congress.

Loans through this program can be used for working capital; purchase of furniture, fixtures, supplies, inventory or equipment; debt refinancing; business acquisitions; and purchase or lease of real estate, with qualifying conditions.

Loan funds cannot be used for a variety of purposes, including, but not limited to construction costs or assistance that will cause conflict of interest issues.

Businesses interested in applying for loans can contact SBAC for assistance. Interest rates on the SBAC loans will be 8 percent (subject to change) and the point of contact is Debra Simmons (DSimmons@sbacsav.com).

Access to Capital for Entrepreneurs (ACE) is also an approved recipient and will serve 50 counties in North Georgia.


For more information on Rural Development programs, visit <http://www.rurdev.usda.gov/ga>.

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Rural Microentrepreneur Assistance Program (RMAP)

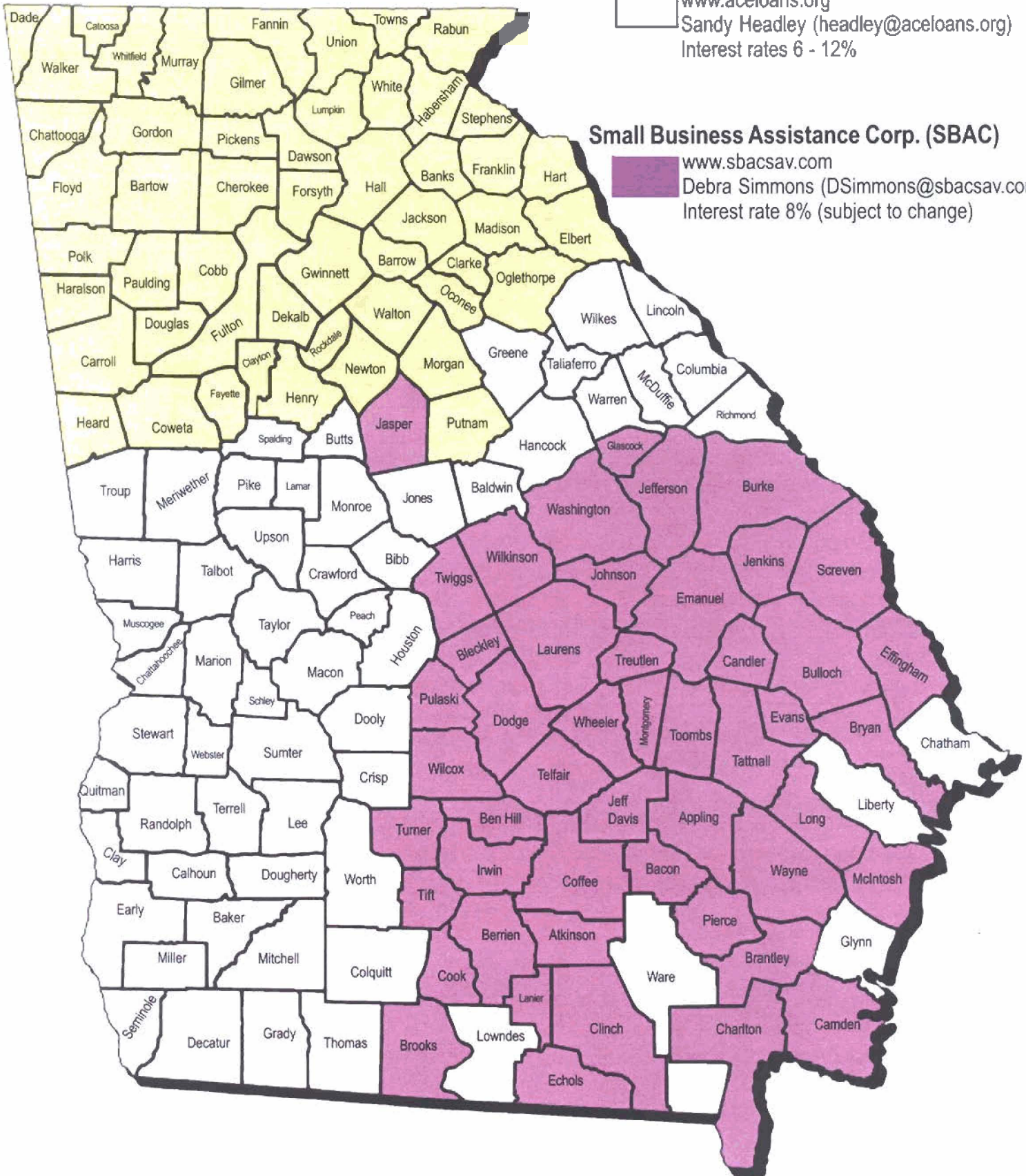
Approved Lenders offering micro-loans* for small businesses

Access to Capital for Entrepreneurs, Inc. (ACE)


www.ace loans.org
 Sandy Headley (headley@ace loans.org)
 Interest rates 6 - 12%

Small Business Assistance Corp. (SBAC)


www.sbacsav.com
 Debra Simmons (DSimmons@sbacsav.com)
 Interest rate 8% (subject to change)



*A micro-loan is under \$50,000.