

cash collateral support (ccs) program

colorado housing and finance authority



COLORADO
Office of Economic Development
& International Trade



ccs program structure

- Cash Collateral Support (CCS) provides cash deposits that act as collateral on your borrower's behalf.
- Deposits up to 35% of the loan amount or \$1,000,000*
- Three-year Initial Deposit term with annual extension afterward
- Borrower fee is 3% to 4% of deposit size for initial term.
- Funds are available to bank in case of loan default.

*Larger deposits available in certain instances.



ccs eligibility

- **Borrower:**
Small business and nonprofit organizations
- **Project purpose:**
working capital, equipment, tenant improvements, and owner-occupied commercial real estate

Other:

- Lender must demonstrate a collateral shortfall in CCS application
- Project must have positive economic impact for Colorado
- Must be a reasonable expectation of repayment



ccs process

- Pre-application discussions
- Application:
 - Follow standard bank process and apply to CHFA once bank review is complete
 - CHFA review and deposit account process takes 1-3 weeks
 - Once approved, CHFA establishes and funds bank account, provides deposit agreement before closing
- Upon expiration of initial term funds are extended or returned.



ccs example:

commercial real estate with 10% down

Collateral	Value	Bank Margin	Bank Policy Limit
FDOT on Commercial Real Estate	\$1,000,000	75%	\$750,000
CHFA Deposit	\$150,000	100%	\$150,000
Total			\$900,000



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thank you

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