

CAP Process Timeline:

30-90 days

1. Borrower applies for loan through their bank. Lender registers if new to CAP.

- If Lender is new to CAP, Lender registers with the State as a vendor by submitting Lender Participation Application and W9 form
- Takes up to 30 days for State to approve a new participating lender

2. Lender underwrites the loan.

- Lender fully underwrites and approves loan
- Lender determines collateral gap

3. Lender submits CAP Loan Enrollment Application to EDD

- Lender completes online Loan Enrollment Application
- Lender uploads credit write-up and other loan information

4. EDD reviews application

- EDD reviews the application, makes approval/denial
- Notice of approval/denial is communicated by EDD to lender within 5 days of submitting application.
- EDD can hold an "approval" for no more than 90 days

5. Prepare to close

- Before closing, Lender and Borrower execute CD Agreement and submit to EDD.
- Upon receipt of the executed CD Agreement, EDD requests funding.
- EDD opens account with qualified depository financial institution.

6. EDD funds CD and Lender closes loan

- EDD deposits funds into the new account.
- Lender closes loan.

7. Reporting

- Lender reports to EDD on status of loan annually (based on the closing of the loan date): outstanding principal balance of the loan, current status of the loan
- Business reports to EDD annually during the life of the State's participation in the project on economic impact data on the loan anniversary