



MassDevelopment Introduction; *SSBCI Lending Overview*

**Massachusetts
Aquaculture
Association**

**Annual Meeting
February 2026**

 **MassDevelopment**

MassDevelopment Mission and Impact

Mission Pillars

MassDevelopment focuses on stimulating business activity, promoting economic expansion, and strengthening communities statewide.

Financial Tools and Services

The agency uses loans, tax-exempt bonds, grants, and real estate services to support diverse development projects.

Organizational Evolution

MassDevelopment grew through mergers to expand funding capacity and enhance support for small businesses.

Economic and Community Impact

In 2025, over 400 projects generated \$4.65 billion investment, created 25,000+ jobs, and preserved nearly 3,000 housing units.

Who We Serve



Businesses

Helping companies expand, modernize, and relocate.



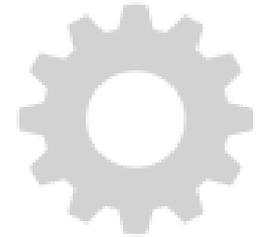
Developers

Making the difference at every stage of development.



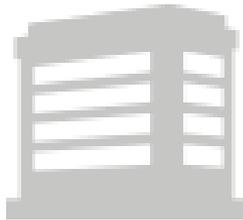
Housing

Building expertise, from predevelopment to construction.



Manufacturers

Finding skilled employees, opening global markets.



Municipalities

Eliminating blight, revitalizing



Nonprofits

Working with nonprofits to rade, renovate, and expand.



Banks

Partnering with banks to provide creative financing.

How We Serve



Learn More about MassDevelopment



[MassDevelopment.com](https://www.massdevelopment.com)

MassDevelopment Lending



- Impactful Economic Development Projects
- Emphasis on Small Business Lending and Housing
- Partnering with Local Financial Institutions
- Public Purpose Lending – Public Benefit
- Products: Direct Loans and Loan Guarantees

State Small Business Credit Initiative - SSBCI



- The American Rescue Plan Act of 2021 (ARPA) reauthorized and amended the Small Business Jobs Act of 2010 (SBJA) to provide \$10 billion to fund the State Small Business Credit Initiative (SSBCI).
- Created to make credit more accessible to small business.
- Administered by US Treasury, Massachusetts Executive Office of Economic Development, and MassDevelopment.
- MassDevelopment's SSBCI transactions must have financing from private sector lenders with exposure equal to or greater than the amount provided by SSBCI (50%/50%).
- SEDI-owned businesses. Treasury requires a portion of SSBCI funds be made to Socially or Economically Disadvantaged Individual owned businesses.

SSBCI's Value-Added Proposition to Banks



- Federal program that is more flexible than SBA and can be more creative to solve challenging project financing, e.g. sub debt
- Higher LTVs on collateral (particularly owner-occupied RE)
- Can participate on loans to share risk or keep customers within legal lending limits

SSBCI Guarantees

Encourage private sector investment by guaranteeing a portion of a bank on real estate and equipment financings

- Maximum \$4,000,000
- Guarantee on difference between bank's maximum loan-to-value
- Up to 100% loan-to-value in some cases
- Reduces dollar-for-dollar with principal amortization
- Annual fee based on the outstanding principal balance:
 - Ranging from 2.0% to 3.0% of amount guaranteed.
- Guaranty based on post-liquidation deficiency balance

SSBCI - Example

<u>Source and Uses of Funds</u>			
<u>Sources</u>		<u>Uses</u>	
Senior Loan Bank, Market Rate, 70% LTV	\$700,000	Business Equipment	\$1,000,000
Subordinated SSBCI Loan 4.5%	\$300,000		
Total	\$1,000,000	Total	\$1,000,000

Source and Uses of Funds

<u>Sources</u>		<u>Uses</u>	
Bank Loan 6.5% @ 90% LTV supported by SSBCI guarantee @ 20% LTV Effective Bank LTV @ 70%	\$900,000	Business Equipment	\$1,000,000
Borrower Equity	\$100,000		
Total	\$1,000,000	Total	\$1,000,000

SSBCI - Example

Source and Uses of Funds			
<u>Sources</u>		<u>Uses</u>	
Senior Loan 60% LTV Bank	\$900,000	Property Purchase, Owner Occ.	\$1,500,000
SSBCI Loan	\$700,000	Renovation	\$100,000
Total 107% LTV	\$1,600,000	Total	\$1,600,000

For more information

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