



Mountain Plains
Minority Supplier
Development Council

Summer Summit

An MBE Growth and Readiness Forum

#MPMSDCSummit



How to Position Your Business to Secure Capital and Scale

Anissa Brown

Market President
AltCap



ALT GAP

TEXAS

MISSOURI

NEBRASKA

CALIFORNIA

KANSAS

AltCap is an ally to underestimated entrepreneurs.

We believe accessible capital creates stronger, more vibrant communities.



Issac Lee Collins, Yogurtini



Robin Krause, Billie's Grocery



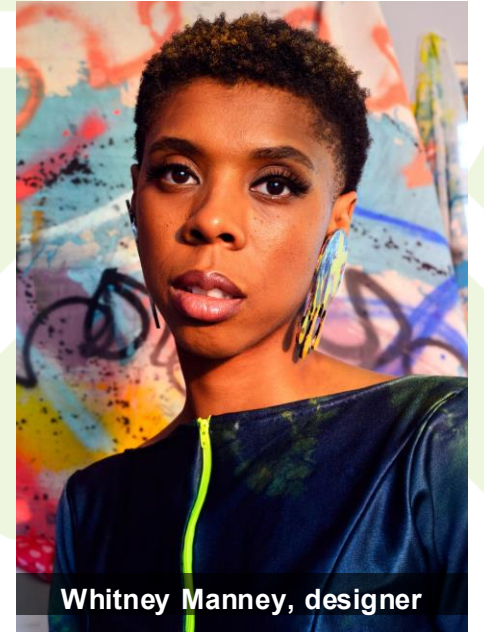
Liley Villazan, Magnolia Beauty Academy

About AltCap

- Founded in 2015, AltCap is a nonprofit Community Development Financial Institution.
- Our mission is to empower underserved entrepreneurs by providing accessible capital to pursue their dreams and help our communities thrive.



Ian Davis, Blip Coffee



Whitney Manney, designer



Emma Ludwig, Letter Cat Studio

What's a CDFI?

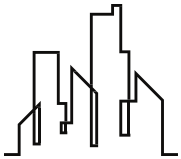
- AltCap is a non-profit, Community Development Institution (CDFI).
- A CDFI is a lender with a mission to provide financing to underserved communities.
- CDFIs are certified by the U.S. Department of the Treasury, ensuring they promote community development.
- AltCap focuses on providing capital to entrepreneurs who cannot access the traditional financial system.



AltCap's Timeline

We began as the Kansas City Missouri Community Development CDE, a municipally-controlled Community Development Entity.

2005



2009

We received our first New Markets Tax Credit allocation & began financing job creating business investments & catalytic real estate development projects.

We received our 501c4 tax exempt status, providing us more flexibility to raise funds and advocate on behalf of communities.

2014



2016

We became an independent entity and a certified Community Development Financial Institution and rebranded as AltCap.

AltCap began lending capital to underserved entrepreneurs and small businesses throughout Kansas and Missouri.

2017



2020

We launched an emergency relief fund and became a PPP lender to support small businesses affected by the pandemic. Over the next 2.5 years, we made \$13M+ in relief loans.

We earned the 2021 Regional Leadership Award from the Mid-America Regional Council, recognizing our leadership in community development.

2021

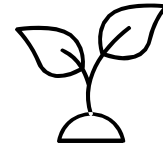


2022

We expanded our service area to include small business lending in California, Colorado, Kansas, Missouri, Nebraska and Texas.

To date, we've facilitated \$275M+ in New Markets Tax Credit investments and deployed \$63M+ in small business loans to 1,200+ entrepreneurs.

2025



Our Vision

- We believe accessible capital creates stronger, more vibrant communities.
- We help make that a reality by empowering the success of underestimated entrepreneurs through flexible financing.
- We are investing in local business owners today to build stronger communities for generations to come.



Our Impact



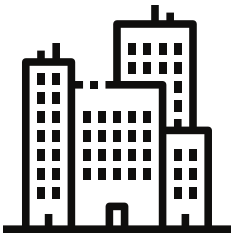
\$63+ Million

Amount deployed to
small businesses



1,350+

Small business
borrowers



\$275+ Million

New Markets Tax
Credit financing
allocated



69%

Amount deployed in
low- to moderate-
income communities



Brenden Coker, Gymnetix



Kansas City Aerial Arts



Chris Evans, T-Shirt King

Our Financing Products & Services

- **Microloans** from \$5,000 to \$50,000.
- **Small business loans** between \$50,000 - \$500,000.
- **Revenue-based financing** allows small businesses to raise funds by pledging a percentage of future, ongoing revenues in exchange for capital.
- **New Markets Tax Credits** for catalytic real estate development projects in distressed communities.



Emily Reinhardt, The Object Enthusiast

Our Financing Terms

- Borrowers can be from any industry and at any stage — from startup to mature.
- We lend up to \$500,000 but are focused on providing microloans of less than \$50,000.
- We tailor terms to each entrepreneur's situation and are more flexible than traditional lenders and banks.
- We serve small businesses in Colorado, Kansas, Missouri, Nebraska, Texas, and California via our affiliate AltCap California.
- Interest rates vary but are far more favorable than credit card rates.

* Terms subject to change



BUSINESS SCALING

- Presented by Anissa Brown

COMMON BUSINESS FAILURES

Exhausting cash reserves.

Expanding too aggressively without sufficient market demand or outcompeted.

Failing to adequately prepare for growth.

Poor financial management.

Breakdown in operational workflow.

First year: 79.6%
survive → 20.4% fail

First 5 years: 50.6%
survive → 49.4% fail

First 10 years: 34.7%
survive → 65.3% fail

US Census Bureau
Statistics 2024 & SCORE

LOW TO MODERATE INCOME COMMUNITIES.

BLACK ENTREPRENEURS.

HISPANIC ENTREPRENEURS.

INVESTMENT AREAS, I.E., INCREASED POVERTY AND UNEMPLOYMENT RATES, MEDIAN HOUSEHOLD INCOME, AND/OR ECONOMIC DISTRESS AREAS.

TARGET MARKETS



Business to consumer-B2C



Targeting individuals, that sell goods and services directly to consumers. Our focus is on those offering essential community services, job creation & retention, and/or revitalization of underserved communities.

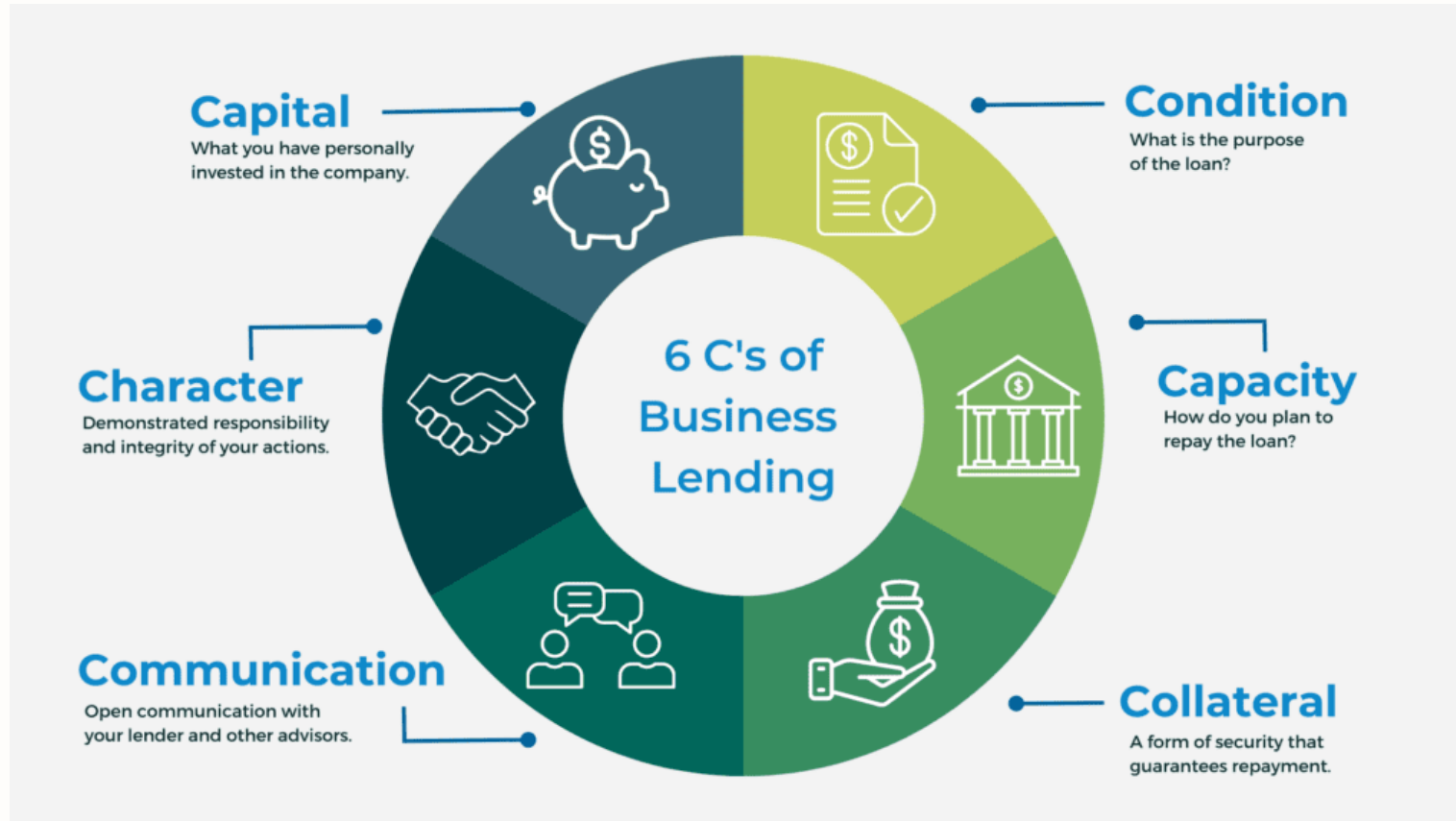


Business To Business-B2B



Targeting organizations, manufacturers, wholesalers, distributors, and services providers that sell directly to other businesses. Our focus is on those offering essential community services, job creation & retention, and/or revitalization of underserved communities.

SIX 6C'S OF BUSINESS LENDING



CONSIDERING COLLATERAL



- **Common Types of Business Loan Collateral**
- **Real Estate:** Land, commercial property, or office buildings.
- **Equipment/Machinery:** Company-owned tools, trucks, and machinery.
- **Accounts Receivable:** Outstanding customer invoices.
- **Inventory:** Products or raw materials ready for sale.
- **Cash/Investments:** Savings accounts, certificates of deposit (CDs), or marketable securities (stocks/bonds).
- **Personal Assets:** Personal home or vehicles, often used in personal guarantees.
- **Book of Business:** Client list, policies, and recurring revenue of an owner, typically an insurance agency, financial firm and is frequently used as collateral for financing, particularly for acquisitions, growth, or buy-outs.

CONSIDERING CAPACITY

Capacity Factors

Cash Flow: Higher, consistent revenue increases borrowing capacity.

Existing Debt: High debt levels reduce the amount you can borrow.

Profitability: The company's net income and depreciation are analyzed to ensure sustainability.

Calculating Capacity

Debt Service Coverage Ratio (DSCR): $\text{Net Operating Income} / \text{Total Annual Debt Service}$

Target DSCR: A ratio of 1.1 or higher indicates an ability to repay, while below 1.0 is considered inefficient in covering debt service.



CONSIDERING AMORTIZATION

Loan Calculator

Loan amount

\$ 10,000

Loan term

5

Months Years

Interest rate

12 %

Estimated monthly payment

\$222.44

Total loan amount paid

\$10,000.00

Total interest paid

\$3,346.67

Total cost of loan

\$13,346.67



■ Total loan amount paid
■ Total interest paid

First payment: Jun 2026 | Last payment: May 2031 | Expand all years:

Date	Your payment	Principal paid	Interest paid	Total Interest paid	Balance
+ 2026	\$1,557.11	\$883.26	\$673.85	\$673.85	\$9,116.74
+ 2027	\$2,669.33	\$1,664.92	\$1,004.41	\$1,678.27	\$7,451.82
+ 2028	\$2,669.33	\$1,876.08	\$793.26	\$2,471.52	\$5,575.75
+ 2029	\$2,669.33	\$2,114.01	\$555.33	\$3,026.85	\$3,461.74
+ 2030	\$2,669.33	\$2,382.12	\$287.22	\$3,314.07	\$1,079.62
+ 2031	\$1,112.22	\$1,079.62	\$32.60	\$3,346.67	\$0.00

PLAN TO SCALE



Consistently meeting demand without overextending resources.

Maintaining stable or predictable revenue streams.

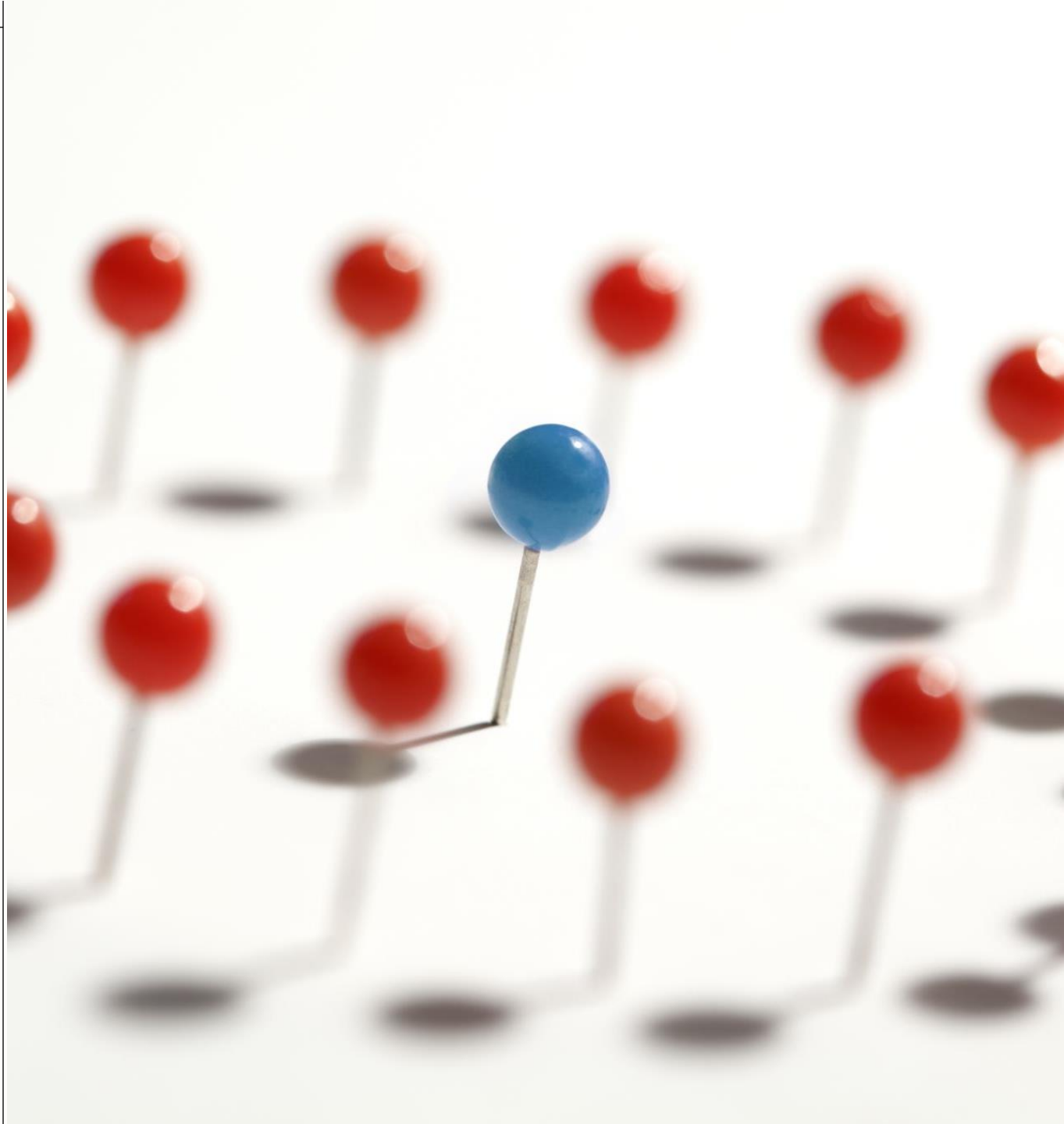
Implementing systems and processes capable of handling increased volume.

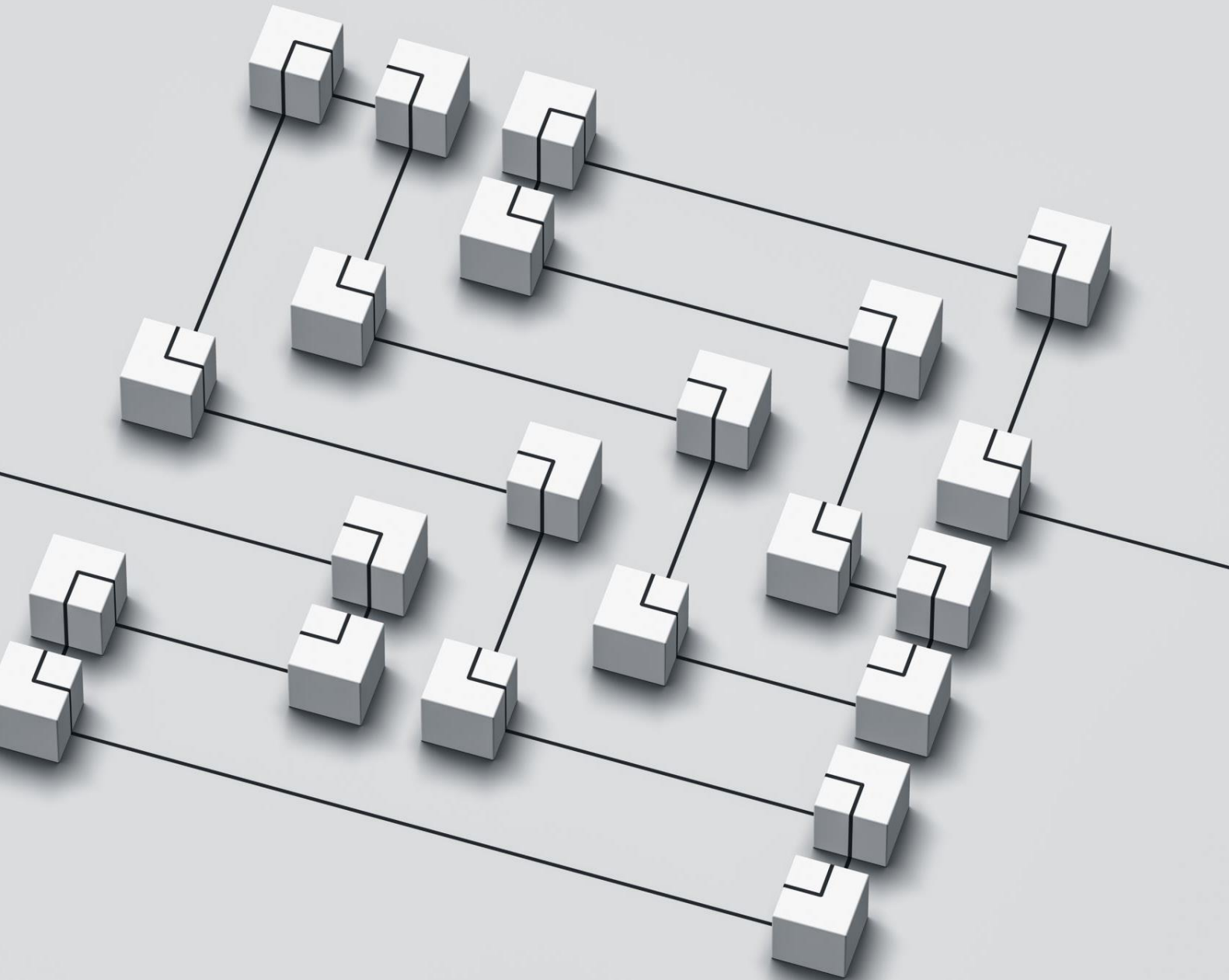
Capacity to invest in technology.

Adequately trained production staff.

TIPS TO SCALING

S
C
O
F
T





S

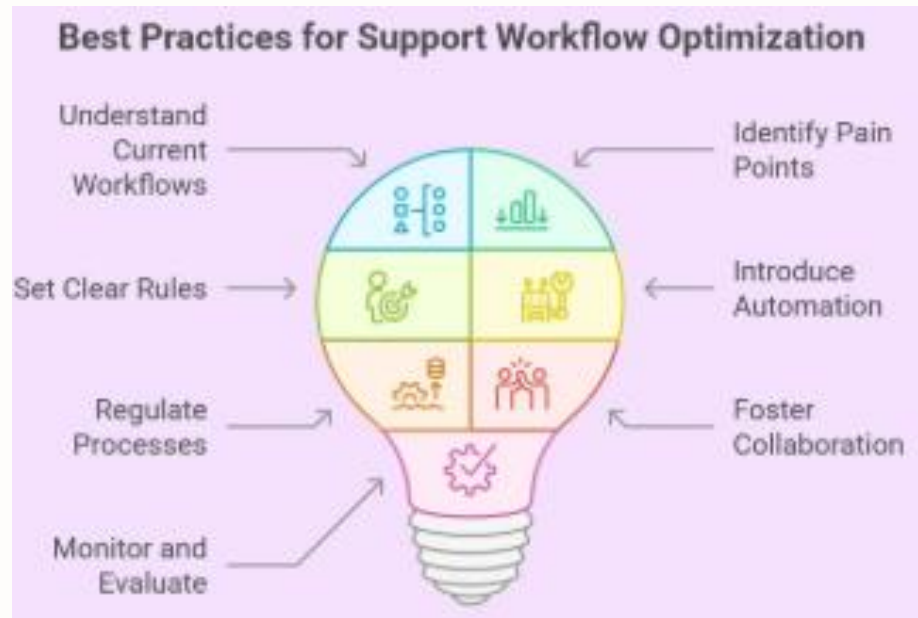
- **Strategic Planning-**
Establishing a clear roadmap is essential for translating a long-term vision into practical, actionable steps.
- This strategic approach enables a business to scale in a controlled, sustainable manner, ensuring that growth aligns with overarching goals and remains manageable as the organization expands.



C

- **Capacity for Growth-** Equipping your business with sufficient space, robust technology, and the necessary equipment to efficiently manage increased workloads or a larger customer base.
- By proactively addressing these elements, you can prevent bottlenecks and maintain seamless operations as demand expands. This approach positions the organization to scale confidently, accommodating future growth without compromising productivity or customer satisfaction.

O



- **Optimizing Processes & Systems-** Establishing efficient workflows, automating routine tasks, and deploying scalable systems ensures that the business can handle increased demand without disruptions.
- By streamlining operations and leveraging automation, organizations are better equipped to maintain seamless performance, even as workloads grow. This approach not only facilitates smooth day-to-day functioning but also positions the business to adapt confidently to expanding customer needs and evolving market conditions.

F



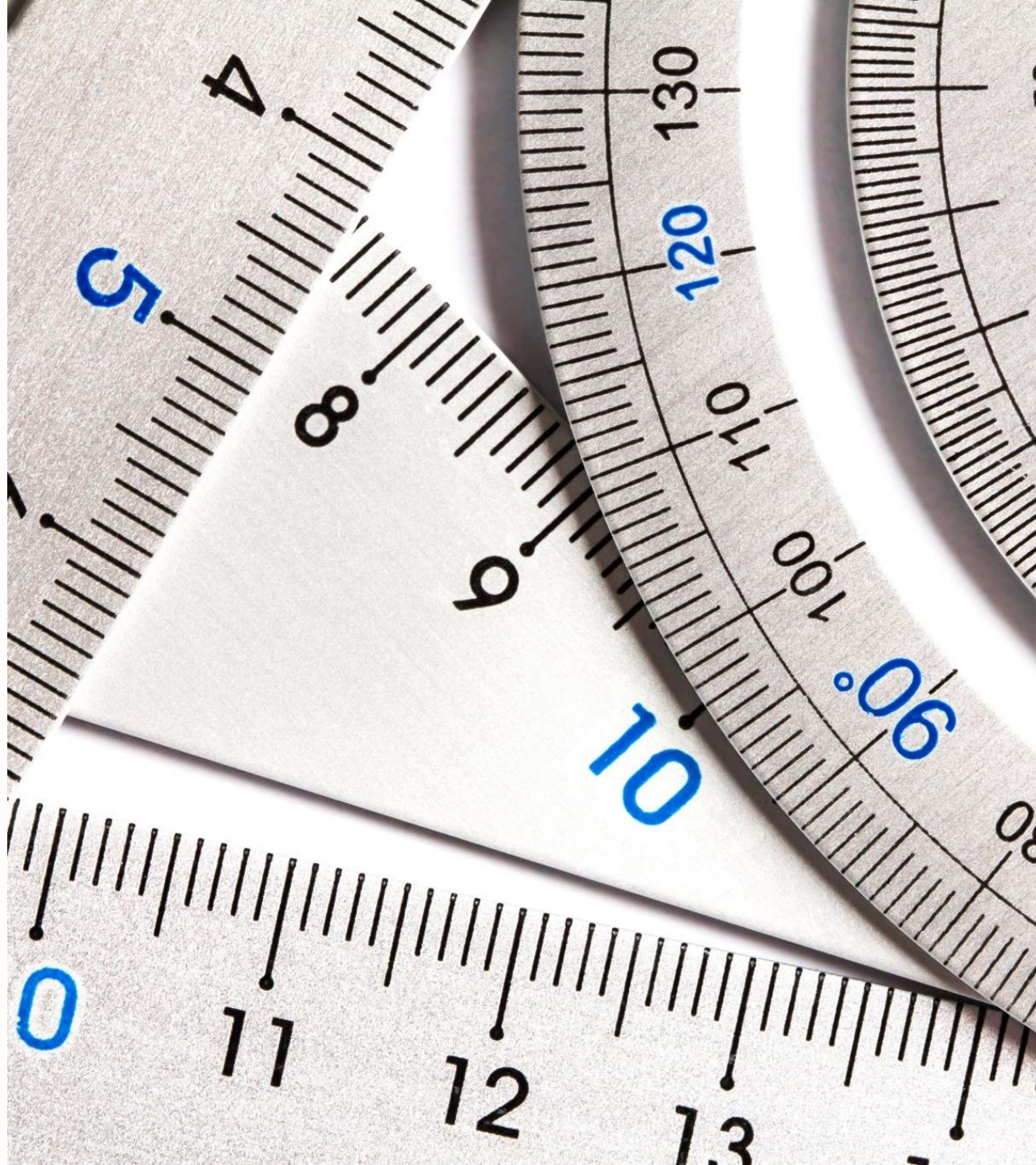
- **Financial Management-** Implementing robust financial systems and maintaining clear visibility into expenses, revenue, and investments are vital for fostering sustainable growth.
- By closely monitoring financial activities and ensuring transparency, organizations can make informed decisions, allocate resources effectively, and confidently support long-term expansion.

T



- **Team & Talent**-Developing a motivated and highly skilled team is crucial for effective scaling. Relying solely on one founder or a small group of key employees is rarely sustainable over time.
- Instead, organizations may consider building a diverse and capable workforce by leveraging the expertise of contractors, board members, mentors, and specialists with targeted skill sets. By assembling a supportive and collaborative team, businesses create a foundation for sustained growth and resilience, enabling them to navigate the challenges of expanding their business operations.

TOOLS TO SCALE



CRM TOOLS



- **Top General/SMB CRM Tools for Growing Businesses**
- **Salesforce Starter Suite**: Ideal for scaling with comprehensive sales, service, and marketing tools.
- **HubSpot**: Known for its user-friendly interface and strong inbound marketing tools.
- **Pipedrive**: Highly visual, focus on deal tracking for sales teams.
- **Zoho CRM/Begin**: Affordable options, with Begin targeting small business pipeline visualization.
- **Freshsales**: AI-powered for multichannel sales engagement.

ORGANIZATIONAL TOOLS



- **Project Management & Organization**
- **Notion**: Functions as a "company brain" for documentation and project management.
- **ClickUp**: Good for managing complex team workflows.
- **Miro**: Essential for remote collaboration and whiteboarding.

FINANCE & ACCOUNTING TOOLS



- **Finance & Accounting**
- **QuickBooks**: Comprehensive accounting for scaling teams.
- **Xero**: Excellent for cloud-based accounting and bank integrations.
- **Brex / Ramp**: Smart spend management for managing company finances.

Bookkeeper vs. Accountants

Bookkeepers focus on the **recording** of day-to-day transactions. Accountants focus on the **analysis** and reporting of that data.

MARKETING & GROWTH

Senja: Automates the collection of testimonials for social proof.

ConvertKit: Effective for automated email marketing and lead generation.

Jasper: AI-powered tool for generating high-volume content.





**50% FOR OPERATIONS
30% FOR GROWTH
AND DEVELOPMENT
20% FOR SAVINGS,
TAXES, OR DEBT
REPAYMENT.**

THE 50/30/20 RULE.



**IF YOU'RE NOT SCALING
AND YOU WANT TO,
THEN YOU NEED TO GO
IN AND CLOSELY EXAMINE
THE FOUR AREAS,
PEOPLE, STRATEGY,
EXECUTION, AND CASH.**

Q & A

Verne Harnish, the CEO of Scaling Up and author of the business book *Scaling Up: How a Few Companies Make It... and Why the Rest Don't*.

Our Credit Parameters

Cash Flow	Capital	Credit	Collateral	Conditions	Community
<ul style="list-style-type: none"> Minimum 1:1 business and global debt service coverage ratio, based on historical financials. 	<ul style="list-style-type: none"> Minimum 10% owner contribution 	<ul style="list-style-type: none"> Minimum 600 FICO score Medical debt excluded. Combined charge-offs over \$5,000 or bankruptcies in the last two years will result in a decline. 	<ul style="list-style-type: none"> 1:1 minimum collateral coverage ratio. Collateral shortfalls may be supported through available Credit Enhancement Programs. 	<ul style="list-style-type: none"> 12 Month Business Plan required for start-ups & turnarounds & include a reasonable ramp-up of financial projections. Compliant with all state licenses & filings. Have required organization documents & insurance. Current on all required taxes & payments. Applicants with a history of financial crimes or recent felony convictions may be declined. 	<ul style="list-style-type: none"> We prioritize lending to underrepresented founders and underserved communities; however, businesses must generate measurable economic development outcomes. Measurable outcomes include job creation, creation of childcare slots, provision of essential community services, and/or revitalization of underserved neighborhoods.

Elevate Lending Decision Making

- Deal Quality Checklist and defined lending philosophy
- Formal risk ratings
- Structured borrower interviews
- Revamped credit policy (Raised standards)
- Salesforce improvements
- Stronger Credit & Sales collaboration
- 2026 is about building on this foundation with discipline and execution.

The Standard of Success

A healthier portfolio built through:

- Disciplined underwriting
- Credit Enhancement/Guarantee First Mindset
- Integrated technical assistance
- Measurable economic impact
- Ensuring we lend responsibly and serve communities long-term

Required Documents

Required for loans ≤\$25K:

- Signed loan application, including other guarantors or owners
- Valid Photo Identification
- Financial projections for business under 12 months old
- Profit and loss statements — last year and year-to-date — for businesses over 12 months old
- Balance sheet: Last year and year-to-date
- Personal financial statement
- Business Debt Schedule: Complete and indicate not applicable if no business debt
- Business Tax Returns: All schedules (1 year)
- Personal Tax Return: All schedules and Proof of Income (1 year)
- Personal Bank information via Plaid Integration
- Business Bank information via Plaid Integration
- Business plan for businesses under 12 months old
- Personal Household Cash Flow Calculator
- Sources and Uses of Funds
- Loan interview: Schedule with AltCap after submitting documents above

Additional requirements for loans >\$25K:

- Business Tax Returns: All schedules (2 years instead of 1)
- Personal Tax Return: All schedules and Proof of Income (2 years instead of 1)

Success Story: CJ's Play Corner

- Allergy-friendly, age-limited indoor play center for kids 6 months to 7 years
- LaChasity Cloud, an Army veteran and federal investigator, built the 2,500-square-foot Azle, TX
- She designed CJ's as the opposite of big corporate play centers
- She validated the business idea before opening by polling her local Facebook mom's group
- A \$40,000 AltCap loan helped launch the business



Success Story: RAW Art Paints

- Acrylic paint brand championing art, advocacy, and mental wellness.
- Wharry studied nursing to pursue a "conventional" career, but art is her passion.
- ARTcap loan in 2024 to fund a second product shipment — 1,000 six-packs of 2-oz tubes and 3,000 individual 4-oz tubes.



Success Story: The Russell and NOKA

- Wood-fired farm-to-table restaurant and rustic Japanese eatery in Kansas City
- Domingo helped run his parents' farm-to-table restaurant
- He borrowed roughly \$450,000 across three MCA companies, racking up hundreds of thousands in credit card debt
- AltCap helped restructure with a loan that cut his monthly payments to one-fifth of what they were



Success Story: Brown Suga*

- Community-centered bakery known for pop-ups, baked goods, and local events
- Sister-owned cookie bakery
- Brown Suga* won the \$25,000 grand prize at the 2024 AltCap Your Biz Pitch Competition
- Ebony Paul's pitch stood out for its community impact focus
- Company plans to use the \$25,000 prize to buy a cookie-branded food truck



Business Support Services & Technical Assistance

AltCap is committed to removing barriers to capital for all entrepreneurs.

Our Business Support Services, a mix of partner programs and AltCap-led curriculum, help entrepreneurs become loan-ready with the tools and resources they need.

Helping entrepreneurs become loan-ready with:

- Business planning and coaching
- Credit and financial guidance
- Accounting, HR, and tax strategy
- Free or low-cost resources

Technical assistance in action

Independent oil painter and muralist

- Black artist, community advocate
- Application denied by multiple lenders, including AltCap
- Referred to TA partners for credit building to support long-term success



Technical assistance in action

Independent oil painter and muralist

- Applicant fully commits to the TA process, and AltCap tracks progress
- Applicant improves credit score by an average of 79 points
- Returns less than 7 months later and approved for a \$9,000 loan
- A pathway from “not yet” to loan-ready to community impact



Special Programs: ARTcap

- ARTcap helps artists and creatives grow their businesses with accessible capital.
- Collateral-free microloans between \$5,000 - \$25,000.
- This microloan is available to sole proprietors, LLCs, and corporations at any stage of growth.
- ARTcap can be used for supplies, new equipment, space improvements, marketing, payroll, and more.

* Terms subject to change



Special Programs: BUILDcap

- Empowers contractors to take on larger projects and grow sustainable businesses through flexible financing and expert support.
- Loan amounts \$10,000 –\$50,000, terms up to 12 months*, fixed rates 8.5–10.5%* with contract-based collateral options.
- Includes required Business Support Services to strengthen project management, financial readiness, and long-term growth.

* Terms subject to change



Special Programs: AltCap Bridge Microloans

- Capital for food and farm businesses approved for Heartland Regional Food Business Center reimbursable grants across the Midwest.
- Up to \$50,000 (0% interest for 6 months) to launch or expand while awaiting grant reimbursement.
- Flexible repayment: grant proceeds pay down loan; unpaid balance converts to term loan (prime + 4%*).

* Terms subject to change

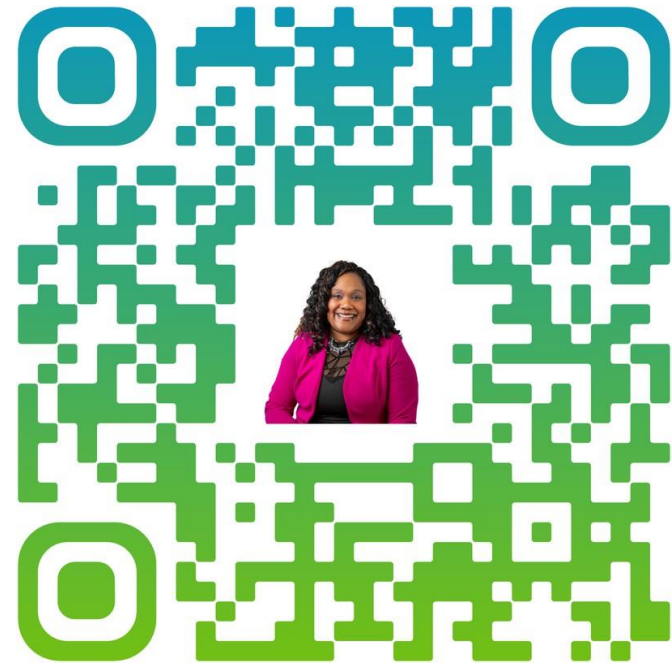


Connect with me!

Anissa Brown

abrown@altcap.org

816-298-3967



Scan to book a meeting!