



*Serving Montgomery County
outside Dayton & Kettering*

CDBG LOAN PROGRAM

Financing for small and medium size businesses for purchase of real estate, equipment, or construction projects that will create or retain jobs.

LOCATION

- industrial projects: countywide outside Dayton & Kettering
- commercial projects: minority or female owned businesses *(51% or greater)*
- businesses in targeted commercial areas *(call CountyCorp for areas)*

ELIGIBLE USES

- acquisition of land & building, machinery & equipment, & construction
- working capital necessary for the growth of the small business

INELIGIBLE USES

- rolling stock & debt refinancing

TYPICAL STRUCTURE

- 50% - from private sector lender
- 40% - from CountyCorp
- 10% - equity injection from the small business *(start-ups 20%)*

MAXIMUM LOAN AMOUNT

- \$100,000

TERM

- based upon useful life of assets up to 15 years

INTEREST RATE

- two-thirds of Prime *(3% floor)*

COLLATERAL

- second lien on land, buildings, machinery, equipment, and/or other assets
- personal guarantees required

REQUIREMENTS

- pledge to create or retain one job for each \$35,000 loaned; jobs to be created within 3 years of closing. Low-mod income hiring required on 51% of new jobs
- prevailing wage requirements

FEES

- application fee of \$100 *(Non-refundable)*
- 1.5% of loan amount *(\$100 minimum)* payable at closing
- closing costs incl. title search & title insurance fees, legal fees, etc.