

# TROY ECONOMIC DEVELOPMENT REVOLVING LOAN FUND

DEVELOPMENT  
DEPARTMENT

*Gap financing  
that partners  
with your bank  
loan.*



## Fact Sheet

### Program Description:

The Troy Economic Development Revolving Loan Fund is a city-administered program leveraging federal dollars to provide “gap financing” to businesses that have a primary lender. The Troy ED RLF strengthens cash flow and capacity position for the business by requiring less equity and providing a lower interest rate. In addition, the program is attractive for banks as the City helps guarantee the loan.

### Requirements:

- Create one new job for every \$25,000 borrowed.
- At least 51% of new jobs shall be from low-to-moderate income households
- Federal/state financing and environmental requirements
- 50% maximum project financing
- \$500,000 non-refundable application fee
- 1.5% closing fee

### Terms:

- Normally 5 years on equipment, matching the life of the asset
- 15 years on real estate

### Rate: Varies. Typically 3% - 6%

### Collateral:

- Mortgage on land and building
- Lien on equipment
- Lien on business assets
- Personal guarantees

### Eligible use of funds:

- Purchase of fixed assets such as land, buildings, machinery and equipment
- Construction and building remodeling (federal prevailing wage rates required)

### Ineligible Use of Funds:

- Debt refinancing and rolling stock

### Typical Structure:

- 55% - Bank Finance (first lien position)
- 35% - Troy ED FLR (second lien position)
- 10% - Owner Equity (new cash)

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**Additional information**

**available at:**

**troyohio.gov/development**