# Troy Small Business Development Loan

## Loans for Expanding Your Small Business


## FACT SHEET

### Program Description:

The Troy Small Business Development Loan Program is a city administered revolving loan fund using **local** dollars to provide “gap financing” to borrowers that already have a primary lender invested in the economic project you are requesting funding for. The program is designed to assist existing businesses that are expanding, but having difficulty securing traditional financing.

### Requirements:

- Business employs not more than 50 persons.
- Create at least one new job.
- Acknowledgement of existing debt-holder(s) regarding SBD loan application.
- Minimum loan amount is $25K.
- Minimum of 24 months of business financials.
- $100.00 non-refundable application fee
- 1.5% Closing Fee.

### Rate:

- Less than 10 years = 50% of current Prime Rate.
- 10-15 years = 75% of current Prime Rate.
- Greater than 15-20 years = Current Prime Rate.

**Term:** Up to 20 years, or matching the life of the asset.

### Collateral:

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

### Eligible Use of Funds:

- Purchase equipment or fixed assets.
- Building improvements.
- Inventory and material purchases.

### Ineligible Use of Funds:

- Debt refinancing.
- Working capital.
- Payment of property taxes or assessments.
- Financing for a business that otherwise has the ability to finance with conventional lending.

**The SBD program is not intended for start-ups. These loans are intended for businesses in existence for 2 or more years.**

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**The *Loan Guidelines* and *Loan Application* are available at: www.troyohio.gov/development**