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SOUTHERN TIER REGION ECONOMIC DEVELOPMENT CORPORATION

REGIONAL REVOLVING LOAN FUND

Loan Policies and Eligibility Criteria

- 1. Eligible Applicants:** For-profit businesses with less than 100 employees located in Chemung, Schuyler, Steuben, Tioga, Tompkins, Broome, Chenango, and Delaware Counties of New York.

Preference will be given to business that propose to reuse underutilized space; businesses which will have a major impact on commercial revitalization efforts; and minority and women owned business enterprises. Priority will be given to projects located in distressed areas and employing people who live in such areas.

- 2. Ineligible Applicants:** Officers, board members, staff or blood relatives of any of the above Representing STREDC for a period of one year after leaving STREDC.
- 3. Eligible Activities:** Acquisition and/or improvement of land, building, plant and equipment; Including new construction or renovation of existing facilities; demolition and site preparation; and working capital.
- 4. Ineligible Activities:** Newspapers, media outlets, medical facilities, community, civic center type projects, or public infrastructure. Speculative activities; purchase or finance equity in private business; debt consolidation or refinancing. Projects that will result in the relocation of any business operation from one municipality of the state to another unless the governing body of the municipalities impacted approve via resolution.
- 5. Maximum Loan Size:** 90% of the total project cost, up to \$100,000; whichever is less, based on the availability of funds.
- 6. Equity Requirement:** Minimum of 10% cash equity injection required.
- 7. Terms:** Maximum of 5 years. Interest Rates are fixed at a rate of 5%.

8. **Fees:** \$250 non-refundable application fee. One percent (1%) service fee; and loan closing costs.
9. **Payment Schedule:** Payments made via ACH automatic payment. Any payment received late will be assessed a late fee.

All loans must comply with the requirements of Federal and State laws concerning civil rights, the environment, flood protection insurance and access for the physically handicapped.

STREDC and its agents ensures confidentiality of all applicants and does not discriminate against any applicant because of race, color, religion, sex, or national origin.

STREDC and its agents are an equal opportunity provider, employer and lender.