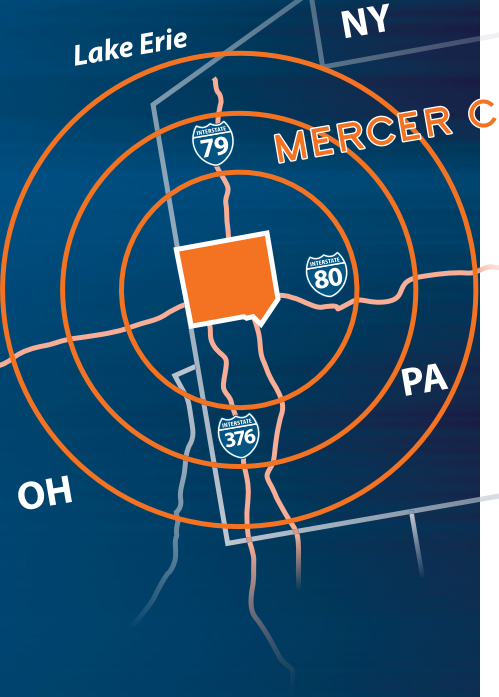

JOINT FUNDING PROGRAM

Shenango Valley Enterprise Zone & Penn-Northwest Development Corporation

PURPOSE:

Funding for Mercer County businesses with additional funds available for those businesses in the Shenango Valley Enterprise Zone (SVEZ). SVEZ is defined as portions of Cities of Sharon and Hermitage; portions of the Boroughs of Wheatland, Sharpsville, West Middlesex and Greenville; all of the City of Farrell; and certain areas of the Townships of Pymatuning, South Pymatuning, Hempfield, Shenango and Delaware.

ELIGIBLE APPLICANTS:

Manufacturing, industrial, warehouse, logistics & distribution, advanced technology, and limited funding for retail if located in the Enterprise Zone.

ELIGIBLE USE OF FUNDS:

Land acquisition, preparation and associated expenses. Building acquisition, renovation and/or additions. Machinery & equipment purchases (new or used). Limited working capital (soft costs of engineering, legal fees).

LOAN LIMITS:

Up to 100% of total project cost, less required 10% equity injection. Up to $500,000, depending on project details and location of the business. Total aggregate outstanding balances not to exceed $500,000 at any time.

RATES:

1-5 yr loans: 60% of prime • 6-7 yr loans: 60% of prime plus ½%
8-10 yr loans: 60% of prime plus 1%

TERMS:

Land and Building up to 10 years • Machinery & Equipment up to 5 years

COLLATERAL:

Loans are to be secured by lien positions on collateral at the highest level of priority available. Guarantors: Corporate guarantees are required. Personal guarantee(s) from individual(s) owning 20% or more of business required. Jointly held assets require guarantee of all owners.

FEES:

$200 Non-refundable fee with fully completed application and sufficient copies for the loan committee to the SVEZC Loan Officer by the 20th day of the preceding month. Legal fees are $175/hr for time spent with an initial retainer of $500. Unused portion returned, excess collected at closing.

CONDITIONS:

Owner injection of 10% of total project required. Business plan may be required.

SOME APPLICATION REQUIREMENTS:

Financial projections, audited historical financial statements, corporate & personal tax returns, personal financial statements of all owners with 20% or more ownership in entity. Commitment letter(s) from other source(s) of financing. Creation of one (1) new full time job for every $30,000 borrowed.

Shenango Valley
EnterpriseZoneCorporation
Providing low-interest loans to business and industry since 1985

www.svezc.com

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Make it in!
MERCER COUNTY, PENNSYLVANIA

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