



# USEDA Business Loan Guarantee

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ABOUT US

AREA ECONOMY

BUILDINGS/LAND

WORKFORCE

FINANCING

INFRASTRUCTURE

QUALITY OF LIFE

## US Economic Development Administration

|                                 |  |
|---------------------------------|--|
| <b>Loan Amount</b>              | Loan guarantee up to 80% (typically \$750,000 to \$10,000,000)   |
| <b>Use of Funds</b>             | Land and building acquisition<br>Land Improvements<br>Building construction and renovation<br>Purchase of machinery and equipment<br>Working capital |
| <b>Term of Loan</b>             | Working capital cannot exceed 5 years, 10 years for machinery and equipment and 20 years for real estate   |
| <b>Rate of Interest</b>         | Negotiated   |
| <b>% of Financing Available</b> | Up to 80%  |
| <b>Down Payment (Equity)</b>    | 15% for existing businesses, 25% for new businesses  |
| <b>Typical Structure</b>        | Variable   |
| <b>How Long Does it Take</b>    | 90-150 days  |
| <b>Collateral</b>               | 1 <sup>st</sup> mortgage   |
| <b>Personal Guarantees</b>      | Yes  |
| <b>Eligible Projects</b>        | Manufacturing businesses and some commercial enterprises   |
| <b>Ineligible Projects</b>      | Retail, service  |
| <b>Job Creation Criteria</b>    | \$20,000 per job   |
| <b>Incentives</b>               | Long-term fixed rate financing   |