



**MICROLOAN PROGRAM  
MICRO-ENTERPRISE PILOT LOAN PROGRAM**

**GOAL:** *To provide start-up to newly formed small businesses known as micro-enterprises with financial assistance to supplement their working capital in order to ensure success*

**DESCRIPTION:** An initial pool of \$50,000 has been established to fund this Revolving Loan Program as a pilot program. The Small Business Development Center, Inc. (SBDC) has full authority and responsibility for the administration of the loan program. Approval of all loans rests with SBDC, Inc.

<b>GUIDELINES:</b>	<b><u>AMOUNT</u></b>	Direct loans of \$500-\$5,000. Loans over \$5,000 to be participated with financial institutions on a 1:1 basis
	<b><u>TERM</u></b>	Up to 36 months
	<b><u>RATE</u></b>	Up to 4% over prime at time of loan closing. To be fixed for the term of the loan
	<b><u>FEE</u></b>	\$50 <u>non-refundable</u> application fee
	<b><u>LATE CHARGE</u></b>	5% of loan payment amount not received within eight days of due date

**REPAYMENT TERMS:** Terms of repayment will be reviewed and tailored to the borrower's ability

- ELIGIBILITY:**
- ◆ Be located within City limits or on property owned by the City
  - ◆ Be a for-profit business
  - ◆ Be a start-up business
  - ◆ Not have more than 5 employees including owner at time of loan
  - ◆ Present a business plan demonstrating:
    - ▶ Sound business purpose and eligible business activity
    - ▶ Feasibility of business
    - ▶ Repayment ability

- ◆ Show skills and capabilities of management of the particular business
- ◆ Have satisfactory business and personal credit experience

**CONTACT:**

Small Business Development Center, Inc.  
300 Auburn Avenue  
Springfield, Ohio 45505-4703  
(937) 322-7821 ◆ (937) 322-7874(fax)

cm/economic dev/handout avail/MicroLoan  
Revised 12/09