

Shenango Valley Enterprise Zone/Penn-Northwest Development Corporation Joint Funding Program

A joint funding program with the following agencies:



Contact:

James Cardamon
Coordinator
Shenango Valley Enterprise Zone Corporation
165 Euclid Ave.
Sharon, PA 16146
Phone: 724-866-0639
Fax: 724-342-5514
E-mail:
jcardy@verizon.net
Website:
www.svezc.com

Purpose: Funding for Mercer County businesses with additional funds available for those businesses in the Shenango Valley Enterprise Zone (EZ). EZ 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, Distribution, Business-to-Business, Advanced Technology

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: 50% to 90% of total project (less equity portion) depending on project details and location of the business, up to \$500,000. Total aggregate outstanding balances not to exceed \$500,000 at any time.

Rates: 60% of prime rate of interest to 60% of prime plus 1%, depending upon term of loan, with an interest rate floor of 3%

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 which can accommodate the borrower's ability to raise debt and equity capital. Generally, personal and corporate guarantees are required.

Fees: \$200 Non-refundable fee with fully completed application and sufficient copies for the loan committee to the SVEZC Coordinator by the 20th day of the proceeding month. Approximate legal fees are \$500.

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

Some Application Requirements:

Financial projections, Historical Financial Statements/Federal tax returns, Personal Financial Statements of all owners with 20% 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.