# SMALL BUSINESS LOAN PROGRAMS

## ELIGIBILITY
- **GLDC Revolving Loan Fund**: Businesses located in the City of Greenville only. Significant development projects that will serve as a catalyst for development. Project must be consistent with the City’s Strategic Plan and City’s Comprehensive Plan as well as plans for targeted areas that have been adopted by City Council.
- **Greenwood County Redevelopment Authority ED and Revolving Loan Fund**: Businesses owned by women. The program raises money from women to be loaned to women to start their own businesses.
- **Michelin Development Company**: Small existing and emerging businesses in the municipalities of Greenville, Fountain Inn, Mauldin, Simpsonville, Travelers Rest and commercial corridors of the unincorporated areas of Greenville County, outside the city limits of Greenville.
- **SC Community Loan Fund**: New start-up or existing small and medium-sized businesses located within or relocating to the 10 Upstate counties of Greenville, Abbeville, Cherokee, Greenwood, Laurens, Oconee, Pickens, Spartanburg and Union. Support provided to businesses with up to 500 employees. Community businesses serving and employing low to moderate income individuals located in underserved South Carolina communities.

## LOAN AMOUNT
- **GLDC Revolving Loan Fund**: No minimum requirement. Maximum shall be based on current balance in loan fund.
- **Greenwood County Redevelopment Authority ED and Revolving Loan Fund**: Minimum loan amount of $500.00 maximum of $10,000. First loan must be $5,000 or less. Each time a loan is paid in full, borrower is eligible for another loan.
- **Michelin Development Company**: Minimum loan amount of $5,000 and a maximum of $25,000 per business applicant.

## RATE
- **GLDC Revolving Loan Fund**: Interest rates range from 3% to 5% based on type of business, risk, experience of owner. Rates are set for the term of the loan.
- **Greenwood County Redevelopment Authority ED and Revolving Loan Fund**: Interest rates range from 3% to 5% and typically not exceed prime 5%. GCRA Loan Advisory Committee will determine the rate.
- **Michelin Development Company**: Bank prime rate plus 2%. Rates are between prime and 4 points over prime.

## TERM
- **GLDC Revolving Loan Fund**: Term is 3 years. The loan repayment may be deferred for first 2 years with payments beginning in third year.
- **Greenwood County Redevelopment Authority ED and Revolving Loan Fund**: Repayment period cannot exceed 7 years. The loan repayment may be deferred for first 2 years with payments beginning in third year.
- **Michelin Development Company**: Repayment period of up to 5 years.

## COLLATERAL
- **GLDC Revolving Loan Fund**: No collateral requirements specified, but loan recipient must be able to repay from sources other than business. Security of best lien available on real estate, equipment, inventory, etc. The discounted value of the security shall equal or exceed the value of loan. Personal guarantees may be required.
- **Greenwood County Redevelopment Authority ED and Revolving Loan Fund**: Security of best lien available on real estate, equipment, inventory, etc. The discounted value of the security shall equal or exceed the value of loan. Personal guarantees may be required.
- **Michelin Development Company**: Loans will be secured against business assets plus 5% hard equity.

## USE OF FUNDS
- **GLDC Revolving Loan Fund**: Business plan including description of project sources of funding, capital equipment list if applicable, balance sheet (historical and pro forma), 2 year income projections, cash flow projections, proposed collateral, proposed term of loan, description of applicant’s efforts to secure financing from traditional market resources, other information as may be requested by GCRA Board.
- **Greenwood County Redevelopment Authority ED and Revolving Loan Fund**: Loan application is available at the website. Need to provide social security number, information about sales, the business, personal income and personal debts.
- **Michelin Development Company**: Applications will be reviewed and approved in order of submission. Contact GCRA for specific list of documents needed. Only complete applications will be forwarded to the advisory committee for approval. Applicants with incomplete applications are informed of their deficiencies. Applicants are required to pay $25 for the required training which counts toward the $10,000 non-refundable application fee. After training, application is submitted with remaining $75 fee.

## FINANCING STRUCTURE
- **GLDC Revolving Loan Fund**: Proposal is sent to borrower if approved for a loan. Money is mailed or wired after signed promissory note is received by CMI.
- **Greenwood County Redevelopment Authority ED and Revolving Loan Fund**: embroider. working capital, technical assistance. Funds must be available to borrowers. Provisionary note is sent to borrower if approved for a loan. Money is mailed or wired after signed promissory note is received by CMI.
- **Michelin Development Company**: Loans to be secured by a lien on the assets of the business financed including machinery, equipment, furniture, fixtures and real estate.

## FEES
- **GLDC Revolving Loan Fund**: $100 for a $10,000 loan.
- **Greenwood County Redevelopment Authority ED and Revolving Loan Fund**: Closing fee of 1% of loan amount up to $100,000 and shall be in at least two installments.
- **Michelin Development Company**: Development loans require minimum 10% equity contribution, with a preferred operating reserve on permanent loans; business loans require minimum 20% equity contribution.

## USE OF FUNDS
- **GLDC Revolving Loan Fund**: No minimum is specified, but job creation is evaluated by GCRA Loan Advisory Committee.
- **Greenwood County Redevelopment Authority ED and Revolving Loan Fund**: Upstate counties of Greenville, Abbeville, Cherokee, Anderson, Pickens, Spartanburg and Union. Support provided to businesses with up to 500 employees. Community businesses serving and employing low to moderate income individuals located in underserved South Carolina communities.
- **Michelin Development Company**: Eligible projects include, but are not limited to, retail stores and service businesses, wholesalers, electrical and real estate.

## USE OF FUNDS
- **GLDC Revolving Loan Fund**: Businesses to be submitted to GLDC Board.
- **Greenwood County Redevelopment Authority ED and Revolving Loan Fund**: No collateral requirements specified, but loan recipient must be able to repay from sources other than business. Security of best lien available on real estate, equipment, inventory, etc. The discounted value of the security shall equal or exceed the value of loan. Personal guarantees may be required.
- **Michelin Development Company**: Loans will be secured against business assets plus 5% hard equity.

## USE OF FUNDS
- **GLDC Revolving Loan Fund**: No minimum is specified, but job creation is evaluated by GCRA Loan Advisory Committee. Job creation and retention is evaluated by GCRA Loan Advisory Committee. No min. or max. specified.
- **Greenwood County Redevelopment Authority ED and Revolving Loan Fund**: Loans provided to projects that will potentially create quality, sustainable jobs.
- **Michelin Development Company**: Loans provided to projects that will potentially create quality, sustainable jobs.

## APPLICATION DOCUMENTS
- **GLDC Revolving Loan Fund**: Application fee of $100.00 and required documents. Application to attend Business/Financial training with Clemson Small Business Development Center. Must obtain business ID and password at the website www.michelindevelopment.us. Provide details on business plan, job creation, results desired in the online Expression of Interest form.
- **Greenwood County Redevelopment Authority ED and Revolving Loan Fund**: Application fee of $25 which includes cost of the credit report. Closing fee of 1% of loan amount up to $100,000 for a $10,000 loan.
- **Michelin Development Company**: Application fee of $100.00 and required documents. Application must attend Business/Financial training with Clemson Small Business Development Center.

## CONTACT
- **GLDC Revolving Loan Fund**: Brendan Buttimer, Loan Officer (864) 242-9801
- **Greenwood County Redevelopment Authority ED and Revolving Loan Fund**: Caroline Brintel, Program Coordinator (864) 751-4809
- **Michelin Development Company**: Carolina Brintel, Program Coordinator (864) 242-9801
**SMALL BUSINESS LOAN PROGRAMS**

<table>
<thead>
<tr>
<th>Tax Exempt Industrial Revenue Bond Program</th>
<th>Taxable Industrial Revenue Bond Program</th>
<th>Appalachian Development Corporation</th>
<th>Community Works Carolina Microloans</th>
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<tbody>
<tr>
<td><strong>ELIGIBILITY</strong></td>
<td><strong>Manufacturing and 501c (3) non-profit firms. Businesses located outside any city with a population of 50,000 or more and is immediately adjacent to an urbanized area.</strong></td>
<td><strong>Small to medium-sized businesses in Anderson, Cherokee, Greenville, Oconee, Pickens and Spartanburg counties. Manuf, Industrial, service and some retail firms are eligible. Restaurants and other food related businesses are not eligible.</strong></td>
<td><strong>Start-up or existing businesses owned by a woman, minority, low-income individual, or business located in and creating jobs in a low income neighborhood. Business must be located in the 15 counties served by Community Works Carolina.</strong></td>
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<tr>
<td><strong>LOAN AMOUNT</strong></td>
<td><strong>Maximum of $10,000,000</strong></td>
<td><strong>Loans range from a minimum of $20,000 to a maximum of $200,000.</strong></td>
<td><strong>Loans up to $50,000.</strong></td>
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<tr>
<td><strong>RATE</strong></td>
<td><strong>Market rates either fixed or variable. Generally 70-80% of taxable rate.</strong></td>
<td><strong>Generally a fixed rate, but arrangements can be made for variable rate loans.</strong></td>
<td><strong>Fixed interest rate. Contact Community Works Carolina for current percentage.</strong></td>
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<tr>
<td><strong>TERM</strong></td>
<td><strong>Dependent upon assets being financed. May be customized to the transaction up to 30 years.</strong></td>
<td><strong>15 years for fixed assets and 5 years for working capital</strong></td>
<td><strong>Up to 6 years.</strong></td>
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<tr>
<td><strong>COLLATERAL</strong></td>
<td><strong>Fixed assets sufficient to support project.</strong></td>
<td><strong>Personal guarantees are required of all principals owning 20% or more of the business.</strong></td>
<td><strong>Not specified.</strong></td>
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<tr>
<td><strong>USE OF FUNDS</strong></td>
<td><strong>Land, buildings, machinery, equipment, and working capital.</strong></td>
<td><strong>Financing of fixed assets such as land, buildings, machinery, equipment and real property improvements. Financing of debt is not eligible.</strong></td>
<td><strong>Working capital, purchase of equipment, machinery, inventory, lease improvements.</strong></td>
</tr>
<tr>
<td><strong>FINANCING STRUCTURE</strong></td>
<td><strong>Credit enhanced by financial institution or company with a rating of &quot;BAA&quot; or better.</strong></td>
<td><strong>At least 50% of the project must be financed by private sources. 10% must be contributed by the business.</strong></td>
<td><strong>Applicant must be unable to obtain financing from other conventional sources.</strong></td>
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<td><strong>FEES</strong></td>
<td><strong>$500 nonrefundable application fee, issuance cost and annual fixed fees paid by borrower, and may be financed.</strong></td>
<td><strong>Loan origination fee of 1.5% of the total amount borrowed.</strong></td>
<td><strong>Application fee, origination fee and business training/coaching fee total up to 2% of loan amount.</strong></td>
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<td><strong>JOB CREATION</strong></td>
<td><strong>At least one job per $25,000 borrowed must be created.</strong></td>
<td><strong>Not specified, but the Greenville Housing fund supports job creation and retention.</strong></td>
<td><strong>Business plan, financial projections, and two years of tax returns.</strong></td>
</tr>
<tr>
<td><strong>APPLICATION DOCUMENTS</strong></td>
<td><strong>Contact JEDA for details and application forms.</strong></td>
<td><strong>Business plan including cash flow projections for 2 years, personal financial statement, market study, current debt obligations, proposed collateral, personal guarantees, credit references.</strong></td>
<td><strong>Business plan, financial projections, and two years of tax returns.</strong></td>
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<tr>
<td><strong>CONTACT</strong></td>
<td><strong>Harry A. Huntley</strong></td>
<td><strong>Brad Schneider</strong></td>
<td><strong>Archie Johnson</strong></td>
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<td></td>
<td><strong>SC Jobs Economic Development Authority</strong></td>
<td><strong>Appalachian Development Corporation</strong></td>
<td><strong>Community Works Carolina</strong></td>
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<td></td>
<td><strong>1201 Main Street, Suite 1600</strong></td>
<td><strong>3531 Pelham Rd, Suite 100</strong></td>
<td><strong>107 W. Antrim Drive.</strong></td>
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<tr>
<td></td>
<td><strong>Columbia, SC 29201</strong></td>
<td><strong>Greenville, SC 29615</strong></td>
<td><strong>Greenville, SC 29607</strong></td>
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<tr>
<td></td>
<td><strong>(803) 737-0268</strong></td>
<td><strong>(864) 382-2350</strong></td>
<td><strong>(864) 235-6631 extension 506</strong></td>
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</table>
SBA 504 Loan Program

The SBA 504 Loan Program administered by the Appalachian Development Corporation (ADC) provides long-term, fixed rate, subordinate financing for acquisition and/or renovation of capital assets including land, buildings and equipment. Most for-profit businesses are eligible for this program.

The ADC is certified by the Small Business Administration as a Certified Development Corporation with the service coverage area being the entire state of South Carolina. The 504 Loan Program operates in partnership with local financial institutions that provide financing on a variety of projects.

Loan Structure

- The typical financing structure for eligible businesses requires the participation of a financial institution that will provide a 50% permanent loan. The SBA loan applicant typically must provide an equity contribution of 10%. The ADC will provide subordinate financing of 40% of the project. In certain instances the borrower may be required to provide up to a 20% equity contribution.

- The SBA portion funded through the ADC can be up to 40% of the eligible project costs with a maximum of $5,000,000. Manufacturing companies may qualify for a maximum of up to $5,500,000.

- The term for the SBA portion is either 10 or 20 years with monthly amortizing payments.

- The SBA 504 loan interest rate is a fixed interest rate for the duration of the loan.

- Loan fees for the SBA loan can range between 2% and 3.5% of the amount of the SBA loan. These costs are included in the loan amount and are financed in the transaction.

- The financial institution sets its own interest rate, terms, and fees on its portion of the project.

- All project costs can be financed including acquisition costs and soft costs, such as life insurance, legal costs, appraisals, environmental reports, and bridge loan costs.

- Collateral typically consists of the assets being financed leaving other company assets available as collateral for other borrowings.