



Mohawk Valley Rehabilitation Corporation (MORECO)

Affiliated With The

Mohawk Valley Economic Development District, Inc.

Serving the counties of: Fulton • Herkimer • Montgomery • Oneida • Otsego • Schoharie

The Mohawk Valley Economic Development District, Inc. (MVEDD), a private non-profit corporation currently administers an Economic Development Administration (EDA) Title IX Revolving Loan Fund called the Mohawk Valley Rehabilitation Corporation (MORECO). MORECO itself administers a Regional Revolving Loan Trust Fund from the New York State Urban Development Corporation (NYSUDC). The EDA (Federal) and NYSUDC (State) Revolving Loan Fund guidelines are below:

Guidelines	MORECO - EDA (Federal)	MORECO - NYSUDC (State)
Servicing the counties of :	Fulton, Herkimer, Montgomery, Oneida, Otsego & Schoharie	Fulton, Hamilton, Herkimer, Montgomery Oneida, Otsego & Schoharie
Eligible Borrowers	Sole Proprietorship, Partnership or Corporation	Sole Proprietorship, Partnership or Corporation
Ineligible Borrowers	Retail & Service Businesses unless a minimum of 10 jobs are to be created or retained. Media (T.V., Radio, Newspaper), Not-for-profit businesses	Retail & Service Businesses unless a minimum of 10 jobs are to be created or retained. Media (T.V., Radio, Newspaper), Not-for-profit businesses
Eligible Project Costs	Building Purchase/Renovation, Land, Machinery & Equipment, Fixed Assets & Working Capital	Working Capital
Ineligible Project Costs	Refinancing of Existing Debt	Refinancing of Existing Debt
General Participation	MORECO is a "lender of last resort" and will not participate in a project where financing can be obtained through conventional means.	MORECO is a "lender of last resort" and will not participate in a project where financing can be obtained through conventional means.
Specific Participation	MORECO participates in 20% - 30% of eligible project costs and 10% will be required from the borrower.	MORECO participates at the lessor of 50% of eligible project costs or \$75,000. Loan guarantees will be provided for the lessor of 80% of eligible project costs or \$80,000. 10% will be required from the borrower.
Job Creation	One job must be created/retained for every \$10,000 of MORECO financing	One job must be created/retained for every \$10,000 of MORECO financing
Collateral	MORECO will take a second position on collateral plus personal guarantees	MORECO will take a second position on collateral plus personal guarantees
Rate & Terms	Interest will be the prime rate at closing fixed over a period of 5 - 7 yrs. In no case will the rate be less than 4%	Interest will be 70% of the prime rate at closing fixed for a period of 5 years. In no case will the rate be less than 5%
Fees	Application Fee of \$200.00 Commitment Fee of 1/2 of 1% of loan Closing Fee of 1/2 of 1% of loan All out-of-pocket expenses including not limited to legal and mortgage fees will be paid for by applicant.	Application Fee of \$200.00 Commitment Fee of 1/2 of 1% of loan Closing Fee of 1/2 of 1% of loan All out-of-pocket expenses including not limited to legal and mortgage fees will be paid for by applicant.

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