



# LOAN PROGRAM

Serving: Cameron, Clearfield, Elk, Jefferson, McKean, Potter Counties

Funds available for any private, for-profit entity with a 300 or less employees operating as a:

Corporation	LLC	Partnership	Proprietorship
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## INVOLVED IN:

Manufacturing	Industrial-Related Services	Warehousing
Distribution	Tourism	Agriculture

## PROJECT TYPES:

<i>Project</i>		<i>Term (Years)</i>
Real Estate	→	10-15
Machinery & Equipment	→	5-7
Working Capital (up to \$100,000)	→	3



## LENDING LIMITS:

Up to 50% of a total project cost OR \$400,000 -whichever is less-



## FUNDING SOURCES:

Economic Development Administration • Appalachian Regional Commission  
U.S. Department of Agriculture Intermediary Relending Program

★ **3.0% Fixed Interest Rate** ★

Pennsylvania Industrial Development Authority (PIDA): visit [www.newpa.com/PIDA](http://www.newpa.com/PIDA) for details  
(Interest Rates Vary Under This Program)

## REQUIREMENTS:

*For Operating Entity & Individuals with 20% or Greater Ownership:*

Current With All Taxes • Child Support Compliant • Current With Other Loan Obligations • Satisfactory Criminal History

Equity	Job Creation	Insurance
Collateralized by assets with a value of 120% of loan amount  Personal Guarantees of shareholders with 20% or greater ownership	1 full time job <b>CREATED</b> for every \$50,000 borrowed OR <b>RETAINED</b> for every \$35,000	Hazard/Liability/Flood where applicable, listing North Central as "loss payee"  "Keyman" life insurance on all guarantors of the loan (may be waived with a succession plan)



## APPLICATION PROCESS:

1. Completed application reviewed by the Loan Committee (*meets the 2<sup>nd</sup> Thursday of every month*)
2. Following approval, application is referred to the Board of Directors (*meets the 4<sup>th</sup> Wednesday of every month*)
3. The Commitment Letter is released to borrower for review and signature
4. Upon North Central's receipt of accepted commitment letter, closing documents are prepared
5. Closing is scheduled

**A loan service fee of 1% of the total loan amount will be charged at closing.**

**Other closing costs will include charges for document preparation, i.e. UCC filings, appraisals, interim interest, etc.**

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## WE NEED:

- **Commitment Letters** for all matching lenders, providing loan funds for the project to be financed.
- Copy of all **Sales Agreements, Appraisals, Bids, Proposals, Contracts, Quotes**, etc. supporting the project costs.
- **Tax Returns and/or Financial Statements**, including balance sheets and income statements from the 3 most recent years for the operating entity and where applicable, all other relevant companies, which may include a real estate holding company, corporate guarantors, parent companies, and/or other affiliated companies.
- Most recent interim **Financial Statements** including **Balance Sheets** and **Income Statements** of the operating entity and where applicable, any other relevant entities.
- **Personal Financial Statement(s)** for each Personal Guarantor and any principal with 20% or greater ownership.
- **Individual Tax Returns** for the last 3 years filed for each Personal Guarantor and any principal with 20% or more ownership in the operating entity and if applicable, the project real estate.
- **For startup companies operating one year or less:** A **business plan** will be required to be completed through a Small Business Development Center (SBDC) or a business consulting organization that is qualified to assist with constructing a business plan. The business plan should be based on the market conditions where the business will be located and contain 3 years of projected financial statements including income statements and balance sheets with supporting assumptions and notes. The business plan should include a management summary outlining the qualifications and experience of the company's management team.

## NORTH CENTRAL PENNSYLVANIA REGIONAL PLANNING & DEVELOPMENT COMMISSION

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