



BUSINESS FINANCE

Oregon Business Development Fund

Providing fixed-rate term financing for Oregon business expansion projects

The Oregon Business Development Fund (OBDF) is a revolving loan fund that provides fixed-rate term gap financing for land, buildings, equipment, machinery and permanent working capital. Applicants must create or retain jobs and must typically be a traded-sector business in manufacturing, processing or distribution. The program gives preference to projects located in rural and distressed areas and to small businesses with fewer than 100 employees.

PROGRAM HIGHLIGHTS:

Northwood Manufacturing adds Second Manufacturing Line

An estimated 25 jobs were created and 50 retained as part of a \$4.9M expansion project by the company to create a second production line in a new 50,000 square foot manufacturing building. Business Oregon financing made possible through a partnership with the company's local bank.

Mac Industries Consolidates and Expands Operations

The purchase of a new facility allowed the company to consolidate their operations from three locations and expand their industrial prototype and cut to shape production facility. The \$1.4M project retained their 20 employees and was estimated to create 4 jobs. Business Oregon financing made possible through a partnership with the company's local bank.

PROGRAM SPECIFICS:

Applicants for the program must show that the business has the ability to create or retain jobs as a result of the loan. Expansion projects can be financed to a maximum up to 40% of eligible project cost and requires participation from a lending (or financing) partner. The program has a fixed interest rate of U.S. treasury securities plus 1% (4% min.), a \$200 application fee, a 1.5% loan origination fee, and no prepayment penalty.

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Business Oregon, the economic development agency for the state of Oregon, is dedicated to helping Oregon businesses gain access to capital. We focus first on "Growing Our Own" by supporting the retention and expansion of existing Oregon businesses and fostering a dynamic startup and entrepreneurial environment.



BUSINESS OREGON

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Business Oregon is an agency of the state of Oregon.

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