

Business Financing

The following information on business financing programs will assist businesses that are considering relocating, developing or expanding in Greer, South Carolina. Complete information on each program is available by contacting the telephone number noted or by contacting the Greer Development Corporation at (864) 416-0125.

Business Financing Programs

Business Carolina

This information highlights financing programs available through Business Carolina, Inc. They are a not-for-profit statewide business lending company that specializes in providing solutions to new and existing small and mid-sized businesses. Their main office is located in Columbia, SC (803) 461-3801 and their field office is in Greenville, SC (864) 232-3674.

Rural Business Cooperative Development Service Intermediary Relending Program (IRP)

- Eligible Businesses: For profit manufacturing, industrial, and service firms. Limited to projects in rural areas and cities with a population of 25,000 or less.
- Eligible Uses: Land, building, machinery, equipment, and working capital.
- Dollar Amounts: Up to 75% of total project costs with a loan not to exceed \$250,000.
- Terms & Conditions:
1. Rate: Variable tied to NY Prime.
 2. Collateral: Must be secured with first lien position on assets.
 3. Term: Maximum - land & building = 10 years
 - machinery & equipment = 10 years
 - working capital = 5 years
- Other: Personal guarantees of the principals are required.

USDA Business & Industry Loan Program (B&I)

- Eligible Businesses: New and existing for-profit and non-profit firms. Program is available to businesses located in census tracts with a population of 50,000 or less.
- Eligible Uses: Purchase existing businesses, buildings or land, machinery, equipment, working capital, refinance construction loans or other indebtedness.
- Dollar Amounts: Loans range from \$1,000,000 to \$5,000,000.
- Terms & Conditions:
1. Rate: Variable at Prime + 1.50% to Prime + 2.50%
 2. Collateral: Must be secured with fixed and/or non-fixed assets sufficient to support credit risk.
 3. Term: Up to 25 years.
- Special: Program is available to businesses located outside any city with a population of 50,000 or more and its immediately adjacent urbanized or urbanizing area.
- Other: Personal guarantees of the principals are required with a 20% or more ownership of the company. Existing businesses must meet minimum tangible equity requirement.

Business Financing

USDA Community Facilities Guaranteed Loan (CF)

Eligible Businesses:	For non-profit organizations, government entities and federally recognized Indian tribes.
Eligible Uses:	Land, building, machinery, equipment, and working capital.
Dollar Amounts:	Maximum amount is \$10,000,000. Preferable amounts not to exceed \$1,000,000.
Terms & Conditions:	<ol style="list-style-type: none">1. Rate: Market rate either fixed or variable.2. Fees: 2% of loan amount; borrower pays legal fees of lender.3. Collateral: Must be secured with fixed and/or non-fixed assets sufficient to support credit risk.4. Term: Maximum - land & building = 15 years - machinery & equipment = 10 years - working capital = 5 years
Special:	Program is available to businesses located outside any city with a population of 50,000 or more and its immediately adjacent urbanized or urbanizing area.
Other:	Personal guarantees of the principals are required with a 20% or more ownership of the company. Existing businesses must meet minimum equity requirement. Start-up businesses are required to have an equity contribution of at least 20%.

US Small Business Administration (SBA) 7(a) Loan Guarantee Program

Eligible Businesses:	Existing or new for profit, retail, manufacturing, wholesale and service firms.
Eligible Uses:	Land, building, renovation or expansion, equipment, leasehold improvements, debt refinancing and working capital.
Dollar Amounts:	Loan amounts from \$150,000 to \$2,000,000
Terms & Conditions:	<ol style="list-style-type: none">1. Rate: Prime + 2% to 2.75% variable2. Collateral: Must pledge sufficient assts to secure loan3. Term: Maximum – Up to 25 years, fully amortized.
Other:	Any owner with 20 percent or more of interest in the business must be a personal guarantor.

Export Working Capital Guarantee Program (EWCG)

- Eligible Businesses: For-profit firms.
- Eligible Uses: Working capital.
- Dollar Amounts: Maximum guaranteed or financed amount is \$200,000 per transaction.
- Terms & Conditions:
1. Rate: Set between commercial lender and exporter for guarantee: Insured transaction rate is Prime Plus.
 2. Fees: \$250 application fee, 1% commitment fee. Guarantee fee is ½% for each 90 days outstanding.
 3. Collateral: Must be sufficient to support credit risk.
 4. Term: Maximum of 360 days.
- Other: Personal guarantees are required. This is a financing program for South Carolina businesses involved in export transactions.

US Small Business Administration (SBA) Micro-Loan Program for Entrepreneurs

- Eligible Businesses: New and existing for-profit firms.
- Eligible Uses: Working capital, inventory, supplies, furniture, machinery and equipment. Funds may **not** be used to purchase real estate, provide a down payment on a project, or refinance existing debt.
- Dollar Amounts: Maximum amount is \$20,000.
- Terms & Conditions:
1. Rate: Set by BCI.
 2. Fees: Borrower pays legal fees of lender.
 3. Collateral: Must be sufficient to support credit risk.
 4. Term: Maximum of 6 years.
- Other: Personal guarantees are required.

Small Business Administration (SBA) Lowdoc Loan Program

- Eligible Businesses: New or existing for-profit that need to quickly secure financing.
- Eligible Uses: May be used for expansion or renovation; real estate acquisition, leasehold improvements, working capital; refinance debt.
- Dollar Amounts: Maximum amount is \$150,000.
- Terms & Conditions:
1. Rate: Prime + 2% to 2.75% variable
 2. Collateral: Sufficient collateral to support credit risk.
 3. Term: Up to 25 years.

Business Financing

Jobs Economic Development Authority (JEDA)

Since 1983, the South Carolina Jobs-Economic Development Authority (JEDA) has been a significant contributor to the economic development of South Carolina. Over the past 21 years, JEDA has created and retained nearly 55,000 jobs in South Carolina and has closed over 700 loans, which represents over \$3 billion in total loans. JEDA is a true enterprise agency of state government. JEDA is located at 1441 Main Street, Suite 905 in Columbia, SC (29202). They can be reached at (803) 461-3801 or on the web at www.scjeda.net. The following information highlights financing programs available through JEDA.

Tax-exempt Industrial Revenue Bond Program (IRB)

- Eligible Businesses: Manufacturing and 501(c) (3) non-profit firms.
- Eligible Uses: Land, building, machinery, and equipment.
- Dollar Amounts: Maximum amount is \$10,000,000.
- Terms & Conditions:
1. Rate: Market rates either fixed or variable.
 2. Fees: \$500 nonrefundable application fee, issuance cost and annual fixed fees are paid by borrower and, where applicable, may be financed.
 3. Collateral: Fixed assets sufficient to support project.
 4. Term: Dependent upon assets being financed.
- Other: Credit enhanced by financial institution or company with a rating of “BAA” or better.

Taxable Industrial Revenue Bond Program (TIRB)

- Eligible Businesses: Manufacturing and 501(c) (3) non-profit firms.
- Eligible Uses: Land, building, machinery, equipment and working capital.
- Dollar Amounts: Minimum amount is \$3,000,000.
- Terms & Conditions:
1. Rate: Market rates either fixed or variable.
 2. Fees: \$500 nonrefundable application fee, issuance cost and annual fixed fees are paid by borrower and, where applicable, may be financed.
 3. Collateral: Fixed assets sufficient to support project.
 4. Term: Dependent upon assets being financed.
- Other: Credit enhanced by financial institution or company with a rating of “BAA” or better.

Business Financing

The Appalachian Development Corporation

The following highlights financing programs available through the Appalachian Development Corporation (ADC). They are a not-for-profit economic development corporation that makes business loans in the Greer area. Their main office is located at 30 Century Circle in Greenville, SC. The ADC loan officer can be reached at (864)242-9733 (main office number) or (864) 241-4661 (direct).

Appalachian Development Corporation - Revolving Loan Fund (RLF)

- Eligible Businesses: For-profit firms involved in manufacturing, industrial, service, and some retail firms. **Restaurants and similar retail food-related firms are not eligible.**
- Eligible Uses: Funds can be used to finance fixed assets such as land, building, machinery, equipment, real property improvements, etc. Working capital loans are also available. Refinancing of old debt is not eligible.
- Dollar Amounts: Maximum amount is \$200,000. Minimum amount \$20,000.
- Terms & Conditions:
1. Rate: Normally fixed rates but can be variable if both borrower and lender agree. Rates will normally be less than market or prime.
 2. Fees: Loan origination fee payable at closing, and borrower pays all closing costs.
 3. Collateral: Sufficient collateral to support credit risk.
 4. Term: Maximum – fixed assets = 15 years
- working capital = 5 years
- Special: The RLF loan must leverage private sector investment, either loans or equity. The business/borrower must contribute at least 10 percent of the project costs in equity. The borrower must show that their business will generate sufficient cash flow to repay the debt requested. Personal guaranties will be required of all principals owning 20% or more of the business. RLF loans may not be used for the relocation of a business from one state to another. Compliance with Federal Non-Relocation, Civil Rights and other Federal regulations is required.

Business Financing

Appalachian Development Corporation - Small Business Administration (SBA) 504 Loan Program

- Eligible Businesses: Virtually all types of for-profit firms.
- Eligible Uses: Acquisition of capital assets that includes land, buildings and equipment. All project costs can be financed including acquisition costs and soft costs such as life insurance, legal, appraisal, environmental and bridge loan costs.
- Dollar Amounts: The financing structure consists of 50% first mortgage by the financial institution, the next 40% is done through the SBA 504 program as a second lien position, the applicant has to put up 10%. The SBA 40% can be up to \$2,000,000 or 40% of the total project whichever is less. In addition, manufacturing firms can now fund up to \$4,000,000 or 40% of the total eligible project, whichever is less.
- Terms & Conditions:
1. Rate: Fixed rate for the duration of the loan and is normally at or below market.
 2. Fees: SBA portion between 2% and 3 ½% that can be financed in the transaction.
 3. Collateral: Typically the assets being financed leaving other company assets available as collateral for other borrowings.
 4. Term: 10 years or 20 years with monthly payments.
- Special: Financial institutions set their own interest rate, terms and fees on its portion of the project. Financial institutions can earn Community Reinvestment Credit.