



SEDA-COG EDA COVID-19

Business Finance: Your Lending Partner

Eligible Applicants

For-profit small businesses in the SEDA-COG 11-County Region involved in the manufacturing, service, agriculture, or retail sectors who have experienced a sudden and severe economic dislocation caused by the coronavirus (COVID-19) pandemic, to support economic resiliency, and/or to further the long-term economic adjustment objectives of the Region.

Eligible Use

Working capital, equipment, purchase of real estate, and certain soft costs.

Loan Amount

Loans may finance up to 100% of the borrower's working capital needs, up to six-months of operating expenses. For equipment or real estate needs, loans can finance up to 100% of the financing need. The minimum loan amount will be \$10,000.

Interest Rate

The interest rate will be up to the current Wall Street Journal Prime rate based on the loan request and credit of the borrower.

Term

Typically three (3) years, up to a maximum of five (5) years for working capital; up to ten (10) years for machinery and equipment; up to twenty (20) years for real estate. For working capital loans, no payments will be due for the first six months. Interest will continue to accrue, with the deferred amount added to the final payment on the loan.

Equity Requirement

For working capital requests, no equity contribution will be required. For equipment or real estate loan requests, 10% of the project cost may be required to be contributed either in cash or sufficient equity in the collateral securing the loan.

Job Criteria

Typically, at least one job to be retained for every \$50,000 of Revolving Loan funds provided

Fees

SEDA-COG charges a \$600 Loan Underwriting and UCC filing fee that will be taken out of loan proceeds. Other loan fees may be applicable based on the loan request.