



DEVELOPMENT
DEPARTMENT

SMALL BUSINESS DEVELOPMENT LOANS

*Loans for
Expanding Your
Small Business*



Fact Sheet

**City of Troy
Development
Department**

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Additional information

available at:

**[www.troyohio.gov/
development](http://www.troyohio.gov/development)**

Program Description:

The Troy Small Business Development Loan Program is a city administered revolving loan fund using local dollars. The program was designed to assist existing businesses that are expanding, but having difficulty securing traditional financing.

Requirements:

- Business employs not more than 50 persons
- Create at least one new job
- Acknowledgement of existing debt- holder(s) regarding SBD loan application

Loan Basics:

- Loan amount is negotiated
- Minimum of 12 months of business financials
- \$100.00 non-refundable application fee
- 1.5% Closing Fee

Rate: 4.5 %

Terms:

- Up to 7 years, or matching the life of the asset

Typical Structure

- 10% - Owner Equity (new cash)
- 20% - Troy SBD Program
- 70% - Private Funds

Collateral:

- Mortgage on land and building
- Lien on equipment
- Lien on business assets
- Personal guarantees

Eligible use of funds:

- Purchase equipment or fixed assets
- Leasehold improvements, including construction
- Working capital
- Inventory and material purchases

Ineligible Use of Funds:

- Debt refinancing
- Intra-family or similar "non-arm's-length" transactions
- Payment of property taxes or assessments
- Financing for a business that otherwise has the ability to finance with conventional lending

The SBD program is not intended for start-ups. These loans are typically intended for businesses in existence for two or more years.