



Tioga County Revolving Loan Fund

Tioga County Development Corporation

Objectives & General Information

The *Tioga County Development Corporation* is administering a new Revolving Loan Fund for Tioga County, the *Tioga County Revolving Loan Fund Program*. The *TCRLF* is a low interest loan program designed to financially assist for-profit small businesses in Tioga County, Pennsylvania. It is a private sector-driven program, compatible with public sector purposes and designed to increase the quantity and quality of available job opportunities in the county. The purpose is to create a positive, business-friendly economic climate to stimulate industrial growth and expansion which will improve the overall economy of Tioga County.

Eligibility Guidelines

For-profit businesses must be located within the County of Tioga. A business is defined as a sole proprietary, partnership, cooperative or corporation engaged in a profitable business.

Funds borrowed from the *Tioga County Development Corporation Tioga County Revolving Loan Fund* may be used for any business expenses related to the expansion or improvement of the applicant, to include purchase and/or installation of machinery or equipment, land assembly and acquisition, real estate development including redevelopment or rehabilitation, facility modernization, inventory and working capital.

Interest Rates & Terms of Loans

A non refundable Application Fee of \$100.00 is required to process a loan.

The *Tioga County Development Corporation* reserves the right to determine the dollar amount of loans granted, based on applicant need, number of jobs created or retained, and the funds available in the Revolving Loan Fund Portfolio.

The *Tioga County Revolving Loan Fund* exists to provide businesses with an additional source of funds. The general RLF guideline shall limit loan dollars availability to no greater than fifty percent (50%) of the total project costs based on available RLF fund portfolio proceeds, with the funding balance from private loans (bankers and other lenders) and owners contributions (equity).

The business receiving the loan assistance will be financially responsible for all loan costs associated with the completion of the loan transaction. Incurred costs will be deducted from the proceeds of the loan at the time of closing. Closing costs may include, but are not limited to, credit verification fees, UCC-1 filing fees, the cost of establishing payment coupon books, attorneys fees, legal fees, appraisal fees, and costs associated with codes enforcement inspections. An estimate of these costs will be provided to the applicant before loan commitment.

All loans will be negotiated at an interest rate lower than prime fixed rate and approved by the *Tioga County Revolving Loan Fund* Committee and the *Tioga County Development Corporation* at the time of the loan commitment. The rate determination will be based on several factors, to include start-up or existing business, management experience, term, collateral, personal guarantees, use of proceeds, debt-to-income ratios, and debt-to-net worth ratios.

The term of the loan shall be determined by the *Tioga County Revolving Loan Fund* Committee and the *Tioga County Development Corporation*, taking into consideration the purpose of the loan, the life expectancy of the assets financed and the ability of the borrower to service the debt from cash flow or asset conversion.

For loan application and additional information contact:

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Initial funding for the Tioga County Revolving Loan Funds were made through the United States Department of Agriculture Rural Business Enterprise Grant Program.