

FAQ

Q: What are the advantages of an RLF?

A: An RLF loan fills the gap created if commercial financing cannot fund an entire project. It also offers lower interest rates and no prepayment penalties.

Q: Will I be required to write a business plan?

A: Yes. A business plan is an extremely useful tool for small business. It provides a roadmap of how the project will impact the business. HCBI offers assistance in writing your plan and financials.

Q: Is your lending criteria similar to a bank?

A: Yes. A business must also meet the same credit and collateral standards that a bank would have in order to be funded through an RLF.

Q: Must the project have owner capital?

A: Yes. The program requires the small business to have at least 10% of the total project costs in cash or equity.

Q: Are there fees associated with the loan programs?

A: Yes. There is a \$250 non-refundable application fee. If the loan is approved, there are some legal fees and processing fees. HCBI business members will receive a discount on fees.

Q: What cannot be funded?

A: Refinance of existing debt, any project cost incurred prior to submitting an application, certain types of businesses.

SMALL BUSINESS FINANCING

Revolving Loan Fund Information Fact Sheet

Financing your business needs can be challenging. HCBI and its partner agencies can help you determine if Revolving Loan Fund financing is a right fit for your needs.

What Can We Fund?

- ◇ **Building & Land**
(purchase, new construction, renovations)
- ◇ **Machinery & Equipment**
(new or used, installation costs, training costs)
- ◇ **Working Capital**
(inventory, closing costs, appraisals, salaries)

Sample Project

A Huntingdon County Small Business wants to purchase a new piece of equipment and will need to build a small addition to house it.

Project Costs

Equipment Cost	\$15,000
Addition Costs	\$90,000
Working Capital	\$5,000
Total Project Costs	\$110,000

Financing Mix

Commercial Loan	\$55,000
Revolving Loan	\$44,000
Owner Capital	\$11,000
Total Financing	\$110,000

For more details about our programs, please contact the office:



"HCBI was instrumental in working with us on all those aspects of development, prototyping, marketing and financing. They have a big toolbox to work with to build a concept into a business. It is hard to imagine being able to launch our company without HCBI's expertise."



*Chuck Elder
Product Design & Marketing
The AnserDecoy Company, LLC*

Quick Facts:

- Must be a For-Profit Entity
- Must be Located in Huntingdon County
- Competitive Interest Rates
- Subordinate Lender



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