

## BINGHAMTON LOCAL DEVELOPMENT CORPORATION

<b>MINI-MICROENTERPRISE LOAN PROGRAM GUIDELINES</b>	
<p><i>The BLDC encourages sustainable development practices defined as development which meets the needs of the present at the same time as safeguarding and improving economic, social and environmental resources and the ability of future generations to meet their own needs.</i></p> <p><i>The BLDC is an equal opportunity lender.</i></p>	
<b>1-Eligible Borrower</b>	Small Businesses operating within the City limits of Binghamton
<b>2-Eligible Uses</b>	Purchase of fixed assets, inventory, working capital; building renovations and leasehold improvements
<b>3-Loan Amount</b>	Up to \$5,000 (The Executive Director and the President of the BLDC can only approve five (5) Mini-Microenterprise loans annually)
<b>4-Underwriting Requirements</b>	<p>Project must meet Federal Guidelines and current HUD regulations</p> <p>Loan amount subject to BLDC Staff review and approval by the BLDC Board President and Executive Director</p> <p>All loan programs subject to availability of funding.</p>
<b>4-Equity</b>	10% owner equity
<b>5-Terms</b>	<p>To be determined by project scope, Max term - 3 years</p> <p>All loans will be collateralized with the business assets of the company.</p>
<b>6-Interest Rate</b>	<p>Prime Rate as published in the Wall Street Journal Prime Rate + 0.5%</p> <p>Rate Fixed on date of formal approval.</p>
<b>7-Fees</b>	<p>1% minimum \$50 non-refundable application fee paid on or before processing Loan for loan Committee <b>AND</b></p> <p>2% non-refundable commitment fee due upon signing of commitment letter.</p>
<b>8-Acceptance of Commitment</b>	Within 30 days from the date of the BLDC commitment letter
<b>9-Closing of Loan</b>	Within 90 days from the date the signed commitment letter has been received by the BLDC and the 2% commitment fee paid.
<p><b>Interest of Members, Officers, or Employees of BLDC, Members of Local Governing Body, or Other Public Officials.</b> No member, officer, or employee of the BLDC, or its designees or agents, no member of the governing body of the locality or localities who exercise any functions or responsibilities with respect to the program during his tenure or for one year thereafter, shall have any interest, direct or indirect, in a contract or subcontract, or the proceeds thereof, for work to be performed in connection with the program assisted under the agreement between the Binghamton Local Development Corporation and the City of Binghamton.</p>	

***The BLDC is an equal opportunity lender***

***R-12/20/2016***

*K:\BLDC2017\LoanGuidelinesMicroapplicationsMicroLoanMini-Microenterprise Guidelines-12.20.16*