

# EAST CENTRAL PLANNING AND DEVELOPMENT DISTRICT, INC.

P. O. Box 499  
Newton, MS 39345  
601-683-2007

SMALL BUSINESS LOAN PROGRAMS	MISSISSIPPI SMALL BUSINESS ASSISTANCE LOAN PROGRAM (MSBAP)	ECONOMIC DEVELOPMENT ADMINISTRATION REVOLVING LOAN FUND (EDA RLF)	RURAL BUSINESS ENTERPRISE GRANT REVOLVING LOAN PROGRAM (RBEG)	MISSISSIPPI MINORITY BUSINESS ENTERPRISE LOAN FUND (MSBELP AND MICRO)	APPALACHIAN REGIONAL COMMISSION BUSINESS DEVELOPMENT LOAN FUND (ARC)
<b>MAXIMUM LOAN LIMITS</b>	50% of project to maximum of <b>\$250,000</b>	33 1/3% of project to maximum of <b>\$300,000</b>	70% of project to maximum of <b>\$250,000</b>	<ul style="list-style-type: none"> <li>MICRO – 100% of project under <b>\$35,000</b></li> <li>MSBELP – 50% of project to maximum of <b>\$250,000</b></li> </ul>	80% of project to maximum of <b>\$200,000</b>
<b>PROJECT MINIMUM</b>	None	\$50,000	\$25,000	<ul style="list-style-type: none"> <li>MICRO – \$2,000</li> <li>MSBELP – \$35,001</li> </ul>	\$30,000
<b>ELIGIBLE BORROWERS</b>	<ul style="list-style-type: none"> <li>New or expanding small business</li> <li>Must meet 1 of the following: <ul style="list-style-type: none"> <li>Less than 100 employees</li> <li>Less than \$350,000 net profit (after tax) 2 of last 3 years</li> </ul> </li> </ul>	New or expanding business	<ul style="list-style-type: none"> <li>New or expanding business</li> <li>Must meet <b>ALL</b> of the following: <ul style="list-style-type: none"> <li>Less than 50 employees</li> <li>Less than \$1M gross revenue</li> <li>In communities with fewer than 50,000 people</li> </ul> </li> </ul>	Minority owned, disadvantaged new or expanding business ( <b>MBE certification required</b> )	New or expanding businesses or industries in <b>KEMPER COUNTY ONLY</b>
<b>INELIGIBLE BORROWERS</b>	Publishers/broadcasters; investment properties; speculators; non-profits, elected officials, ECPDD employees, Board members and immediate family	Publishers/broadcasters; investment properties; speculators; non-profits, elected officials, ECPDD employees, Board members and immediate family	Publishers/broadcasters; investment properties; speculators; non-profits, elected officials, ECPDD employees, Board members and immediate family	Publishers/broadcasters; investment properties; speculators; non-profits, elected officials, ECPDD employees, Board members and immediate family	Publishers/broadcasters; investment properties; speculators; non-profits, ECPDD employees, Board members and immediate family
<b>OWNERSHIP (MUST BE US CITIZEN)</b>	60% by MS resident of 2 years	US citizen or legal resident	<ul style="list-style-type: none"> <li>51% by MS resident</li> <li>US citizen or legal resident</li> </ul>	<ul style="list-style-type: none"> <li>51% by MS resident</li> <li>60% minority controlled</li> </ul>	US citizen or legal resident
<b>UTILIZATION</b>	Finance land, buildings, equipment, inventory, working capital, start-up costs	Finance land, buildings, equipment, inventory, working capital, start-up costs	Finance land, buildings, equipment, inventory, working capital, start-up costs	Finance land, buildings (70% occupancy), equipment, inventory, working capital, start-up costs	Finance land, buildings, equipment, inventory, working capital, start-up costs
<b>RESTRICTIONS (NO REFINANCING)</b>	<ul style="list-style-type: none"> <li>Investment leverage minimum \$1 for every \$1 of loan proceeds</li> <li>Working capital limited to 1/3 of project</li> <li>Existing business assets <b>DO NOT</b> count as part of the project but may be used as collateral</li> </ul>	<ul style="list-style-type: none"> <li>Private investment leverage minimum \$2 for every \$1 of loan proceeds</li> <li>Compliance with Federal regulations required</li> <li>Existing business assets <b>DO NOT</b> count as part of the project but may be used as collateral</li> </ul>	<ul style="list-style-type: none"> <li>Private Investment leverage minimum \$.30 for every \$.70 of loan proceeds</li> <li>Compliance with Federal regulations required</li> <li>Working capital limited to 1/4 of project</li> <li>Existing business assets <b>DO NOT</b> count as part of the project but may be used as collateral</li> </ul>	<ul style="list-style-type: none"> <li>Existing business assets <b>DO NOT</b> count as part of the project but may be used as collateral</li> </ul>	<ul style="list-style-type: none"> <li>Investment leverage minimum \$1 for every \$1 of loan proceeds</li> <li>Compliance with Federal regulations required</li> <li>Existing business assets <b>DO NOT</b> count as part of the project but may be used as collateral</li> </ul>

<b>JOB IMPACT</b>	Must create or retain 1 full-time job (business must certify job impact)	Must create 1 full-time job for every \$40,000 of proceeds (business must certify job impact)	Must create or retain 1 full-time job for every \$25,000 of proceeds (business must certify job impact)	Must create or expand disadvantaged minority small business	Must create 1 full-time job for every \$20,000 of proceeds (business must certify job impact)
<b>COLLATERAL</b>	1 <sup>st</sup> lien on all assets acquired with proceeds, but will consider participation in senior lender's lien or in 2 <sup>nd</sup> position	1 <sup>st</sup> lien on all assets acquired with proceeds, but will consider participation in senior lender's lien or in 2 <sup>nd</sup> position	1 <sup>st</sup> lien on all assets acquired with proceeds, but will consider participation in senior lender's lien or in 2 <sup>nd</sup> position	1 <sup>st</sup> lien on all assets acquired with proceeds, but will consider participation in senior lender's lien or in 2 <sup>nd</sup> position	1 <sup>st</sup> lien on all assets acquired with proceeds, but will consider participation in senior lender's lien or in 2 <sup>nd</sup> position
<b>GUARANTEES</b>	Personal guaranty of each 20% owner	Personal guaranty of each 20% owner	Personal guaranty of each 20% owner	Personal guaranty of each 20% owner	Personal guaranty of each 20% owner
<b>HAZARD AND LIFE INSURANCE</b>	Required	Required	Required	Required	Required
<b>EQUITY INJECTION</b>	None	10%	None	5%	5%
<b>SENIOR LENDER</b>	Written commitment stating loan terms	Written commitment stating loan terms contingent upon ECPDD financing	Written commitment stating loan terms	<ul style="list-style-type: none"> <li>• MICRO – No other financing</li> <li>• MSBELP – Written commitment stating loan terms</li> </ul>	Written commitment stating loan terms contingent upon ECPDD financing
<b>APPLICATION</b>	ECPDD	ECPDD	ECPDD	ECPDD	ECPDD
<b>APPROVAL</b>	<ul style="list-style-type: none"> <li>• ECPDD Loan Committee</li> <li>• ECPDD Board of Trustees</li> </ul>	<ul style="list-style-type: none"> <li>• ECPDD Loan Committee</li> <li>• ECPDD Board of Trustees</li> </ul>	<ul style="list-style-type: none"> <li>• ECPDD Loan Committee</li> <li>• ECPDD Board of Trustees</li> </ul>	<ul style="list-style-type: none"> <li>• ECPDD Loan Committee</li> <li>• ECPDD Board of Trustees</li> <li>• Mississippi Development Authority</li> </ul>	<ul style="list-style-type: none"> <li>• ECPDD Loan Committee</li> <li>• ECPDD Board of Trustees</li> <li>• Appalachian Regional Commission</li> </ul>
<b>INTEREST RATE</b>	Approximately 5%, fixed	Approximately 5%, fixed	Approximately 5%, fixed	MAX: 4% over Federal Reserve Discount Rate, fixed	Approximately 5%, fixed
<b>TERMS</b>	<ul style="list-style-type: none"> <li>• 15 years land/buildings</li> <li>• 10 years machinery/equipment</li> <li>• 5 years working capital</li> <li>• 3 years inventory</li> </ul>	<ul style="list-style-type: none"> <li>• 20years land/buildings</li> <li>• 10 years machinery/equipment</li> <li>• 5 years working capital</li> </ul>	<ul style="list-style-type: none"> <li>• 20 years land/buildings</li> <li>• 10 years machinery/equipment</li> <li>• 5 years working capital</li> </ul>	<ul style="list-style-type: none"> <li>• MICRO – 7 years maximum</li> <li>• MSBELP <ul style="list-style-type: none"> <li>◊ 15 years land/buildings</li> <li>◊ 10 years machinery/equipment</li> <li>◊ 7 years working capital</li> </ul> </li> </ul>	10 years maximum
<b>FEES</b>	<ul style="list-style-type: none"> <li>• 1% administrative fee</li> <li>• Attorney fees, closing costs</li> </ul>	<ul style="list-style-type: none"> <li>• 1%administrative fee</li> <li>• Attorney fees, closing costs</li> </ul>	<ul style="list-style-type: none"> <li>• 1% administrative fee</li> <li>• Attorney fees, closing costs</li> </ul>	<ul style="list-style-type: none"> <li>• 1% administrative fee</li> <li>• Attorney fees, closing costs</li> </ul>	<ul style="list-style-type: none"> <li>• 1% processing fees</li> <li>• Attorney fees, closing costs</li> </ul>