The GMRC Revolving Loan Fund Program, to date, has invested in $7.25 million in loans to 69 small businesses in Northeast Georgia. Those investments have translated into 933 private sector jobs being retained or created and over $13.7 million in private investment leveraged. That translates into only $7,770 per job, or approximately 2 jobs for every $15,000 loaned.

Determine your goals and develop a plan

- Loan Amounts - $20,000 - $500,000
- Interest Rate - Fixed
- Term - Negotiable
- Legal Fees - Varies
- Origination Fee - 1% of loan amount
- Prepayment Penalty - None
- Job Creation - the goal of the RLF program is to create 1 job per $32,000 of funds borrowed
- Uses for Loan Funds - land, building construction, building expansion, machinery, equipment, and working capital

Georgia Mountains Regional Commission

For more information or to download the application:

https://www.gmrc.ga.gov/rlf

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Laurin Yoder, Senior Project Manager

Georgia Mountains Regional Commission

Revolving Loan Fund

Let our RLF Program help you start or expand your business in the Georgia Mountains Region

- **Local Control**
- **Attractive Interest Rates**
- **Flexibility**
- **Gap Financing**
- **Assists Businesses**

The Georgia Mountains Regional Commission Revolving Loan Fund can make loans to companies for purposes that include: acquisition and improvement of real estate; the purchase of machinery; equipment or inventory; and working capital. Terms and conditions will vary with each loan application and are based on a review of the collateral, finances, and market risk associated with each request.

Eligibility Requirements

Revolving Loan Fund Program monies are available to businesses of all sizes that are located in the following counties:

Banks Dawson Franklin Habersham
Hall Hart Lumpkin Rabun
Stephens White Towns Union

The GMRC RLF Program can provide up to 100% financing with collateral approved by loan committee. Collateral must be dollar for dollar.

Funds can be used for gap financing when a bank is the first lien holder.

Owner must have a minimum 10% equity stake in the project.

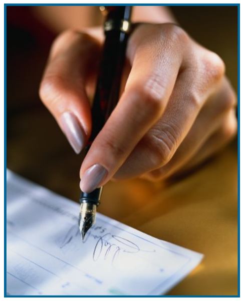
Applicant generally to provide one (1) job for each $32,000 borrowed.

Loan Amounts

The minimum loan amount is $20,000 and the maximum is $500,000.

Terms & Conditions

In general, loan terms for fixed asset loans will be up to 20 years and working capital up to two (2) years.



Depending on financial analyses of borrowers and collateral, interest rates may vary as low as 4% with a ceiling no more than the Prime rate quoted in the *Wall Street Journal* plus 1 percent (1%).

Loan Application Review and Approval

After receiving an application and other required documentation, the loan packet will be forwarded to the GMRC Revolving Loan Program Committee for their review.

The Loan Committee may schedule an interview with the business owner (borrower), and will determine the conditions/terms of the loan.

Final loan approval is determined by the GMRC full Council, which meets monthly.

Equity Requirements

When an applicant participates with a private lending institution, the lending institution will generally hold the first lien with the GMRC RLF taking a second or junior position. GMRC RLF employs standard collateral requirements; sufficient and appropriate collateral is required for all loans. Personal guarantees will be required of any person having ownership interest of 20% or more in the business. Life insurance on key company officials will be required with an assignment to Georgia Mountains Regional Commission Loan Program, Inc.

Advantages

- Entrepreneurial programs need to be strengthened in our Region to support entrepreneurial firms, small businesses, home-based businesses, or new businesses.
- Interest rates on the RLF loans are fixed at or near prime rate.
- The RLF operates to help expand the region's economy through the creation and retention of jobs.
- The RLF program is a local economic development initiative. All decisions are made by the GMRC Loan Program, Inc., which is representative of the region.
- The GMRC works in partnership with other agencies in the Region that can assist with gap financing, business plan development, and other services.