



CITY OF KETTERING

Business Loan Program

Many people dream of owning their own business; few people dare to make it come true. It takes courage, sweat and working capital to make it happen. And even then it can be tough to keep the company going—much less growing when you're ready. The City of Kettering understands how difficult it can be to maintain or expand a business. That's why we offer business loans to companies whose projects will retain or create jobs in the City of Kettering. If you're interested in applying for a business loan or need more information, call the Business Loan Program at 296-2441.

Loan Amount

- Minimum \$ 10,000
- Maximum \$300,000

Eligible Activities

- Acquisition of land and buildings
- Purchase of machinery and equipment
- Leasehold improvements
- New construction
- Rehabilitation activities

Loan Terms

- Negotiated rate based upon type of project, loan amount and ability to repay.
- Useful life of assets financed, up to 15 years.

Secured By

- Second or third mortgage or lien on land, building, machinery and equipment; financed with proceeds of loan; personal guarantee, and/or other assets.

Participation

- The City of Kettering will loan up to 40 percent of the amount needed for the project, not to exceed the commitment of the commercial lender.
- Borrower must prove that remaining 60 percent is available. (Recommended minimum 10 percent equity position by borrower).
- The city will blend funds with other public programs.

Investment/Job Generation

- One (1) full-time job (or equivalent) created or retained for each \$35,000 loaned. Jobs to be created within three (3) years of closing.
- Of the jobs created or retained, at least 51 percent will be reserved for low- and moderate-income persons.

Other Requirements

- Adopt a commitment to Equal Employment Opportunity (EEO) requirements; additionally, all construction projects must meet Federal Prevailing Wage (Davis-Bacon).

Fees

Borrower is responsible for the following:

- Loan fee - 1 percent of loan amount with the submission of an application (non-refundable).
- Legal fees - preparation of loan documents.
- Closing costs - filing fees, title search and/or title insurance, appraisal fee, credit checks, etc.

