



# SPC's Commercial Lending Program

*Starting, running, and expanding a small business is no small task. The Southwestern Pennsylvania Commission's (SPC's) Commercial Lending Program offers financing assistance to businesses with less than 100 employees operating in the commission's nine-county region. We provide low-interest financing for land and building acquisition, construction and renovation, and machinery and equipment purchases. Finally, we provide working capital for new inventory purchases, employee training, new employee salaries, and exporting activities.*

## Maximum Lending Limits and Terms

- Land and Building Acquisition – up to \$2,000,000 with up to a 15-year term
- Machinery and Equipment – up to \$400,000 with a 7 to 10-year term
- Working Capital Lines of Credit – up to \$100,000 carrying a 1 to 3-year term

## Eligibility Requirements

Businesses seeking financing via SPC's Commercial Lending Program must be organized as a for-profit entity. Additionally, because SPC can only fund up to 50% of the business's total project cost, business owners must bring either matching financing from the private sector or an equity match to the table. Collateral is also required, and generally speaking, the item being financed is offered as that collateral. For example, if your business is looking to purchase a building to expand, a mortgage on the property being financed is required. If the purchase being financed is a piece of equipment, a lien will be placed on either the equipment being financed, or the loan will be secured by a blanket lien placed on all equipment/business assets owned by the company. Finally, working capital lines of credit are commonly secured by a first lien on the company's inventory and receivables.

### Additional requirements include:

- Personal and Corporate Guarantees
- Borrowers must create or retain one job for every \$75,000 borrowed.

## Loan Application Process

SPC is happy to help our clients throughout the application process. During our initial meeting with a new client, we will determine if SPC's financing options are right for the client. If SPC's options are appropriate for the client, we provide the borrower with the loan application documents. We are also happy to provide guidance regarding the supplemental documents that are necessary to complete the application. Finally, if necessary, we are happy to provide our clients with assistance crafting a business plan, as well as creating financial projections.

### Once a borrower receives SPC's loan application, the application process is as follows:

- SPC's Commercial Lending Manager assists clients through the application process.
- Once the completed loan documents have been returned to SPC, our Commercial Loan Analyst will perform the necessary underwriting procedures for the loan, and pull the client's credit history.
- The loan is then presented to the appropriate SPC committees for approval.
- Once the loan is approved, closing occurs, and the client continues to work with SPC's Business Loan Servicer throughout the repayment period.

### For more information please contact:

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