



## ELIGIBILITY

The Microloan Program will assist all types of businesses provided they can produce positive employment opportunities. Loan activities will emphasize direct job creation/retention by providing loans for start-up, expansion or retention.

## INELIGIBILITY

Speculative activities, such as land banking and the construction of speculative buildings.

Loans which will assist in the relocation of jobs from another labor area.

Loan activities and economic benefits resulting from MLP activities must be located within the eligible area. MLP assistance will be withdrawn if, for any reason, the activity is moved from the eligible area.

Loans for the purpose of investing in high interest accounts, certificates of deposits or other investments not related to job creation/retention, for down payment on another loan, as payment on any debt owed by the borrower prior to receiving a microloan or refinancing thereafter are prohibited.

Loans that would involve a "conflict-of-interest" for any officer or employee of the grantee, or any current or former member of the grantee's loan administration board or staff who reviews, approves or otherwise participates in decision on MLP loans.

Loan funds for the Muncie-Delaware County Microloan Program were obtained through a loan from the Indiana Small Business Development Corporation, a grant from the Muncie Urban Enterprise Association, and the Indiana Economic Development Council.

*Additional information regarding eligible or ineligible uses or other selection criteria can be obtained by contacting:*

## MUNCIE-DELAWARE COUNTY, INDIANA ECONOMIC DEVELOPMENT ALLIANCE

Horizon Convention Center  
401 S. High St., PO Box 842  
Muncie, IN 47308-0842

765-751-9106  
765-288-6681  
765-751-9151 (fax)  
[www.muncie.com](http://www.muncie.com)

## MICROLOAN PROGRAM



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MONTHLY PAYMENT  
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**MUNCIE-DELAWARE COUNTY, INDIANA  
ECONOMIC DEVELOPMENT ALLIANCE**



**MICROLOAN PROGRAM**

**Loans by the Muncie-Delaware County Microloan Program (MLP) will be made to all types of businesses for fixed assets and working capital. Activities financed by the M/DCMLP will be varied and limited to applicants with an ability to create a business or retain jobs. Acquisition of fixed assets, such as land, buildings, equipment and working capital will be considered eligible for loan activity. Fixed assets can include renovation or construction of buildings, modernization of plant and equipment to allow for better competition and increase growth and site preparation.**



## **FINANCING POLICIES**

Loans of up to \$25,000 will be made to a single borrower. Funding is also available from a new program within the MLP financed by a grant from the Indiana Economic Development Council. Loans with the new program are for minority or women-owned businesses for an amount up to \$10,000. A new business start-up must have a minimum of 20 percent cash investment to be eligible to apply and use the Microloan Program. The rate of interest will be determined by the prime interest rate combined with the risk factors involved with the project and will be decided by the loan administration board on a case by case basis. All loans will be offered at fixed interest rates. Funding is also available from a new program within the MLP financed by a grant from the Indiana Economic Development Council.

## **LIMITATIONS**

Proceeds of this program cannot be used in conjunction with other loaning programs to fund a project. MLP loans cannot be used for programs operated by cable television systems. Contact the Muncie-Delaware County Economic Development Alliance for details and more limitations on the use of MLP loans.

## **ELIGIBLE BORROWERS**

Applicants must live in Delaware County and must have a written business plan on file with the office. Applicants will receive counseling toward management and financial management skills from the ECISBDC for a period of one year and if in business less than two years, must attend the Academy for Entrepreneurial Development.

## **APPLICATION PROCESS**

An application will be provided for the applicant to complete and return to the Alliance. Once the application has been submitted, the business plan for the proposed business will be analyzed to determine if the venture is eligible for the program. Once eligibility is established, the Alliance staff will act as a liaison between the applicant and the Loan Board by providing the Board. A meeting between the applicant and the Board will be scheduled, and the Board will be provided with all documentation regarding the loan request.

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