

ELIGIBILITY & USES

MIRLF funding will be limited to projects located within the City of Muncie corporate limits, the industrial park on the City's southwest side, or other industrial areas adjacent or near the City's corporate limits.

Funds must be used for manufacturing projects, wholesaling trade projects, or limited commercial trade projects.

Funds may be used for acquisition and/or renovation of fixed assets including real estate, machinery and equipment. Inventory and operating capital may be considered, but on a very limited scale.

Working capital loans will be limited to no more than fifty-percent (50%) of the total MIRLF portfolio.

Loan proceeds may also be used on existing debt (if approved by the MIRLF Board prior to approval of any loan request) however, they may not be used to refinance permanent loans.

PROOF OF NEED

The MIRLF is targeted to companies whose projects have the greatest potential to provide jobs, have participation from conventional private lenders, and can show a reasonable assurance of loan repayment, but simply cannot come up with adequate financing to make the project a reality. Consequently, a company will be required to show the need for MIRLF financing. The MIRLF may require applicants to provide bank turn-down letters or a list of banks contacted, funds requested, and bank requirements

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

MUNCIE INDUSTRIAL REVOLVING LOAN FUND



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ECONOMIC DEVELOPMENT ALLIANCE

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The purpose of the Muncie Industrial Revolving Loan Fund (MIRLF) is to provide incentive for commercial and industrial development which will create permanent private sector jobs for the City of Muncie, Indiana.

The program is designed to fill gaps in existing local financial markets and provide or attract capital which would not otherwise be available for economic development.



CRITERIA

Projects must meet several criteria or provide certain information. Included in the criteria and necessary information are the following:

A project must create or save one (1) job for every \$7,500 loaned

The MIRLF will loan one (1) dollar for every two (2) dollars of private money in a project

The maximum loan is \$300,000 and the minimum loan is \$10,000

Terms of the loans vary but usually they are based on the economic life of assets to be acquired or similar to any accompanying private sector conventional loan

The minimum interest rate is four (4) percentage points below prime as quoted in the Wall Street Journal, however, the minimum can never be lower than four percent (4%)

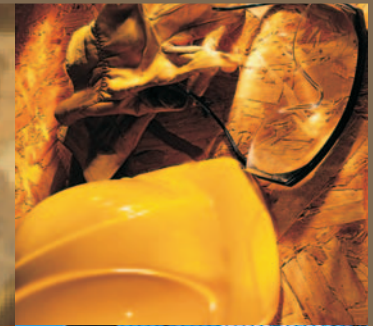
Collateral required to secure MIRLF loans will be determined on a case by case basis, and personal guarantee(s) will be required of all principals

A one-time processing fee of one and one-half (1 ½%) of the loan will be charged at the time of application (\$250 minimum and no maximum fee)

Past three (3) years business financial statements and two (2) year income projections of business will be required as will a description of the proposed project along with cost breakdowns to be included in a complete business plan

Commitment for private sector portion of loan and personal financial statements of owner(s)

No applicant will be denied a loan on the basis of race, color, national origin, religion, age, handicap, sex or veteran status



CONTACT

The Muncie Industrial Revolving Loan Fund Program is administered through the office of the Muncie Redevelopment Commission in conjunction with the Vision 2006 economic development initiative of the Muncie-Delaware County Economic Development Alliance. Additional information can be obtained by contacting the redevelopment office in the Horizon Convention Center, 401 South High Street, PO Box 842 Muncie, IN 47308-0842 or by phone (765) 288-6681 or 751-9106, by FAX (765) 751-9151 or by e-mail bbaldwin@muncie.com.