

Steel Valley
Building Investment Loan Program Overview and Program Guidelines

The purpose of the Steel Valley Building Investment Loan Program, administered by the Steel Valley Enterprise Zone Corporation, is to stimulate investment in properties in the Eighth Avenue Business District and environs in the Boroughs of Homestead, Munhall and West Homestead.

Eligible Organizations:

- Property owners including individuals, partnerships, corporations and non-profit corporations.

Eligible Activities:

- Acquisition of land and buildings where substantial rehabilitation and investment is taking place.
- Fixed asset activities, such as infrastructure improvements to land and renovation to the exterior and interior of buildings.
 - Note: Project applicants must include an economic and/or business plan, architectural and/or engineering plans and designs, construction schedule and financing plan.
 - Note: Exterior improvements must be in compliance with Historic Architectural Review Board Guidelines and local zoning requirements.

Ineligible Activities:

- Enterprises whose primary operations serve alcoholic beverages such as bars, taverns or beer distributors; however, if the enterprise serves primarily as a restaurant and has a Pennsylvania Sunday liquor license it may be considered.
- Adult entertainment establishments.
- Funds may not be used to refinance debt.

Amount of Loan:

- Maximum loan - \$150,000 – not to exceed 75% of total project cost.
 - Note: A minimum 25% equity contribution by borrower and/or debt financing from another lender is required.

Cost to Borrower:

- Interest rate fixed at 4%
- Loan closing costs & filing fees
- 0.5% origination fee of loan amount not to exceed \$2,000
- Annual loan maintenance fee of up to \$250 per year

Term:

- Maximum term of loan is ten (10) years with flexible repayment terms including up to a maximum of twenty (20) year amortization schedule may be considered on a case-by-case basis.

General Loan Features:

- Loan must be secured by adequate collateral.
- Loan closing will be held concurrently or after matching loan(s) closing.
- Construction activity should be completed within six (6) months of loan closing.

Steel Valley Enterprise Zone Corporation
P.O. Box 168
Homestead, PA 15120-0168
Phone: 412-462-8870, Fax: 412-241-4161
www.svez.org

(FOR OFFICE USE) # _____

Steel Valley Building Investment Loan Program
Loan Information Checklist

The following items that are checked represent information the Steel Valley Enterprise Zone Corporation may need for review of the loan request. If you have any questions, please do not hesitate to contact the corporation at (412) 462-8870.

- ___ Written description of business, brochure, or business plans (if any)
- ___ Organization charts/diagrams (if any)
- ___ Bids, invoices, contracts, etc. to verify use of funds (if any)
- ___ Current personal financial and/or three years prior tax returns for principals
- ___ Three to five years' annual financials
- ___ Current annual financials
- ___ Current interims (if available)
- ___ Projections (if available-especially for start-ups and significant requests)
- ___ Financials on related companies (if available)
- ___ Evidence of collateral values/appraisals (if any)
- ___ Approval for corporation to undertake credit checks on applicant

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Steel Valley Building Investment Loan Program
Letter of Interest

1. **Name of Borrower:** _____
Address of Borrower: _____

- Phone Number: (W)** _____ **(H)** _____
2. **Name of Business:** _____
Address of Business: _____

3. **Purpose for the funds (25 words or less)** _____

4. **How long have you been in business?**
_____ 3 + years _____ 1 - 3 years _____ Start up
5. **Do you have established bank relationship(s)?**
_____ YES _____ NO **If YES where?** _____
6. **Do you have a business plan?** _____ YES _____ NO
If YES _____ **Formal** _____ **Informal**
7. **Anticipated amount of funds necessary for item 3 above \$** _____

Proposed borrower may utilize this form to express interest in participating in the Steel Valley Building Loan Fund Program. Please send form and other information (if any) to:

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