

**FINANCING  
FOR  
GROWTH**

Region 8 Planning and Development Council  
131 Providence Lane  
Petersburg, WV 26847



**Planning  
&  
Development  
Council**

**REVOLVING  
LOAN  
FUND**

## THE FUND

The Region 8 Revolving Loan Fund is a program where financial assistance is made available to qualified businesses in Grant, Hampshire, Hardy, Mineral, or Pendleton Counties. Businesses can borrow up to \$75,000 at low interest rates to finance qualified projects.

Preferred projects include those which create a significant number of jobs, involve high-tech firms and/or result in higher than average wages.

## ESSENTIAL RULES

- All projects must result in job creation or retention
- The RLF must maintain a ratio of two private dollars invested for every one RLF dollar.
- The RLF may not be used as a substitute for financing already available from primary lenders.

## TERM OF LOAN

The maximum term for RLF loans varies according to the proposed use of funds. For land, building and permanent fixtures, the maximum is 25 years. For equipment, the limit is either 10 years or the useful life, whichever is less. The limit on working capital is one year. When appropriate, an "interest only" payment for up to one year may be allowed. The interest rate will be fixed for the loan's term.

## INTEREST RATE

The RLF program is intended to provide an incentive for business development at the lowest reasonable interest rate. The minimum rate for a RLF loan is four percentage points below the prime rate as quoted in the Wall Street Journal, but not less than four percent overall. Each loan rate will be set by the RLF Board.

## RLF LENDING POSITION

RLF loans are subordinate to the primary source of project financing. This second position serves to increase the borrower's equity with the primary lender and should reduce the lender's risk.

## WHOM TO CONTACT

Whenever possible, prospective applicants are asked to contact the appropriate County Development Authority prior to making contact with Region 8.

Phone numbers are:

Grant	304-257-2168
Hampshire	304-822-4320
Hardy	304-530-3047
Mineral	304-788-2223
Pendleton	304-358-2074

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## A CAUTIONARY NOTE

A project cannot begin before loan approval. All projects must start within 90 days of loan approval.