

# OUR LOAN PROGRAM

- A financial opportunity for small business owners, property owners or investors to purchase or renovate a downtown property or to purchase fixed equipment for the direct purpose of business creation, expansion or renovation
- A low interest loan of \$25,000 and in some cases of up to \$50,000. A second position loan behind a bank loan for any existing or new business within the Downtown Erwin District (see map).
- A loan for renovation costs above the bank loan
- A micro loan up to \$25,000 to cover renovation of buildings and financing for equipment loans. The borrower must keep a business account at one of the three(3) participating banks.
- Terms:
  - Buildings: Up to 15 years
  - Equipment: Up to 5 years

# ASSISTANCE & PROCESS

The Northeast Tennessee Economic Development Corporation (NETEDC) will assist you with the application process by providing an application and information packet.

Once a completed application is provided by the borrower, the loan committee reviews loans for approval. If approved, borrower pay a 2 point loan processing fee at closing.

# HOW DOES IT WORK?

This example illustrates how a loan could potentially be structured for a downtown property owner.

## EXAMPLE:

Business A is purchasing a building in downtown Johnson City for \$100,000. The business is also making \$80,000 worth of renovations to the building. The total project would be \$180,000. A down payment of \$36,000 (20% of \$180,000) and closing costs of \$4,000 total \$40,000. The financing could be as follows:

**Participating Bank:** \$144,000  
(80%) for 15 years at  
prime plus 1.5%

**Downtown Loan Program:** \$25,000  
for 10 years at 4%

**Business A:** \$15,000  
\$184,000



# DOWNTOWN JOHNSON CITY REDEVELOPMENT LOAN PROGRAM

BANKING ON YOUR SUCCESS

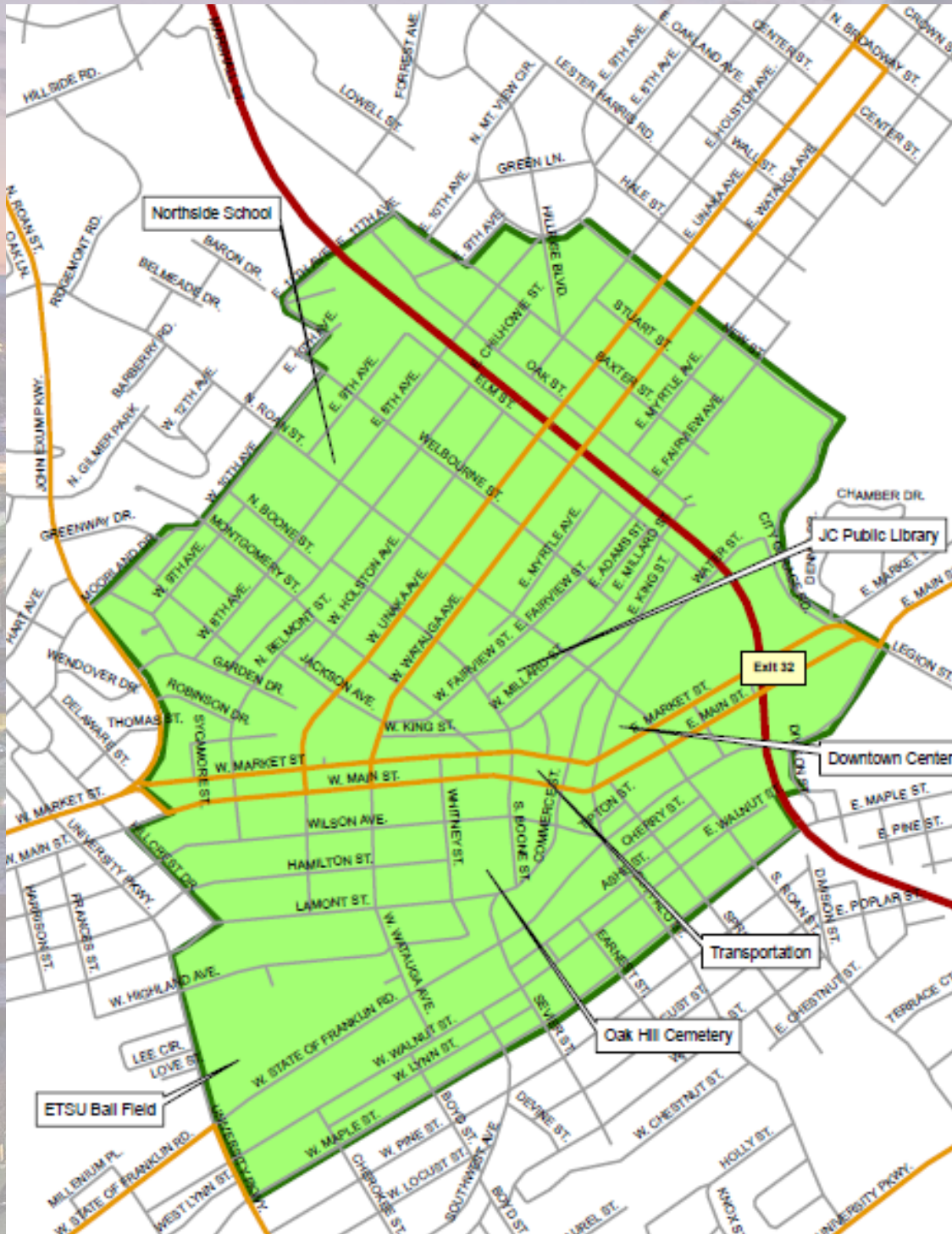


3211 North Roan Street  
Johnson City, TN 37601

423-722-5098

[www.netdec.org](http://www.netdec.org)

# JOHNSON CITY REDEVELOPMENT DISTRICT



## PARTICIPATING BANKS

Bank of Tennessee  
Stephen Dixon  
CRA Officer, (423) 262-4321  
sdixon@bankoftennessee.com

Citizens Bank  
David Mowell  
(423) 547-2059  
david.mowell@citizensbank24.com

First Horizon Bank  
Robert J Davis  
(423) 461-1719  
rjdavis@firsthorizon.com

HomeTrust Bank  
Robert Williams  
(423) 979-5407  
robertwilliams@htb.com

People's Community Bank  
Michael Estes  
(423) 915-2209  
mtestes@fcbinc.com

Truist Bank  
Jake Harris  
(423) 863-4894  
jake.harrison@bbandt.com