

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 Erwin 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

HOW DO I APPLY?

CONTACT

Make contact with one of the participating banks or call **NETEDC** at 423-722-5098, visit our website at www.netedc.org, or email Ken Rea: krea@ftdd.org.

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.

OUR VALUES

We value the integrity of our local business owners and strive to provide economical ways to assist them while providing for their continued success.



3211 North Roan Street
Johnson City, TN 376
423-722-5098
www.netdec.org

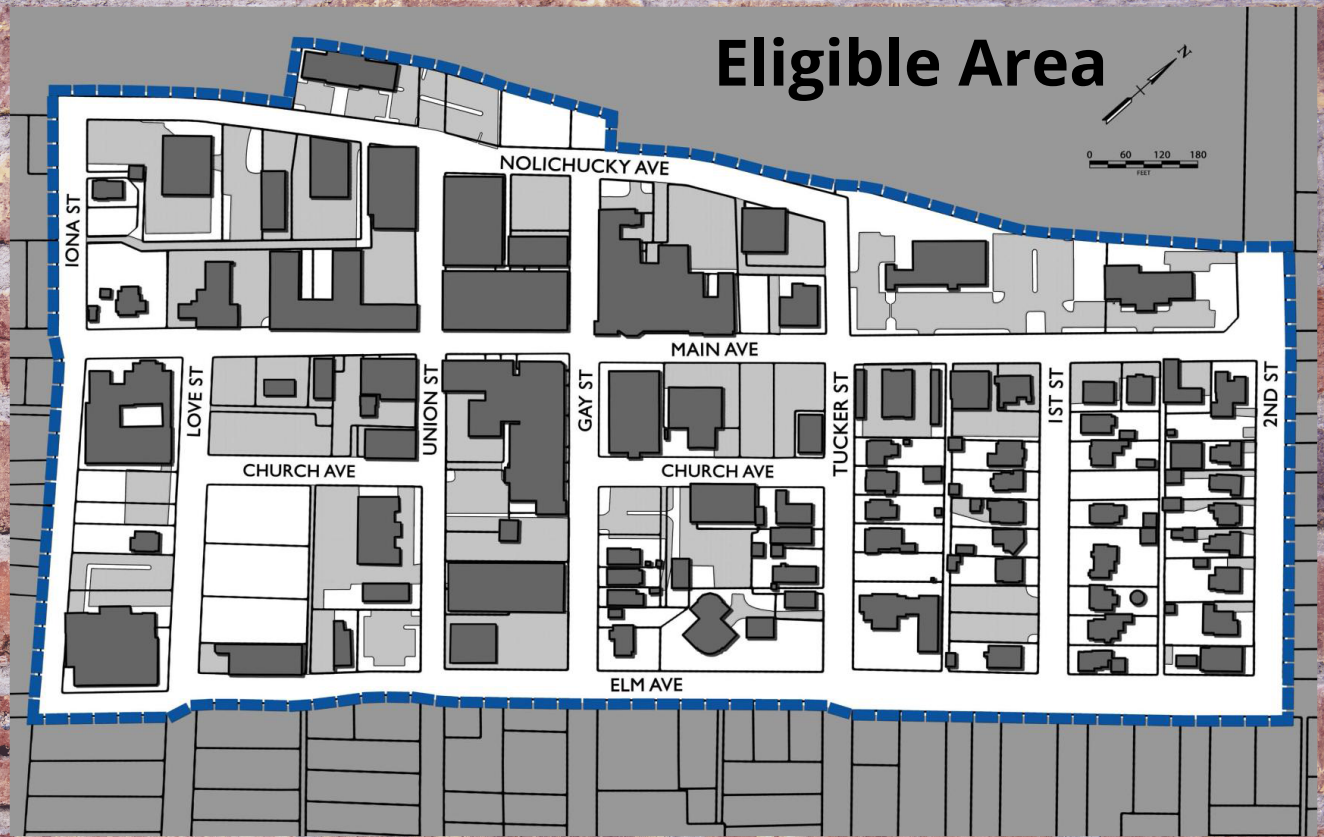


DOWNTOWN ERWIN LOAN PROGRAM

BANKING ON YOUR SUCCESS

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 up to \$25,000. 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



Participating Banks

Bank of Tennessee

Dustin Brown, Vice President
dbrown@bankoftennessee.com
(423) 743-6625

First Horizon Bank

Robert J Davis, Asst. Vice President
rjdavis@firsthorizon.com
(423) 461-1719

Mountain Commerce Bank

Bobby Brown, Senior Vice President
bobby.brown@mcb.com
(423) 232-5002

