

# PHILLIPS AREA MICRO-LOAN PROGRAM

## PURPOSE

- ◆ **TO PROVIDE AFFORDABLE FINANCING TO NEW AND EXISTING BUSINESSES IN THE TOWNS OF PHILLIPS AND AVON AND THE UNORGANIZED TERRITORY OF MADRID IN ORDER TO CREATE OR RETAIN JOBS.**

## LENDING CRITERIA

- ◆ The business must be located within the boundaries of Phillips, Avon or Madrid in Maine.

## ELIGIBLE ACTIVITIES

Types of activities that can be financed with Micro-Loan funds include, but are not limited to:

- ◆ Real property acquisition, construction or rehabilitation, which is essential to the operation of the business (except for housing related projects);
- ◆ Capital equipment;
- ◆ On-site utilities;
- ◆ Inventories;
- ◆ Working capital.

Micro-Loans cannot be substituted for available bank financing or personal resources of the owner.

## AMOUNT OF FINANCING AND TERMS

- ◆ Loans from \$2,500 to \$25,000. Interest rates are fixed. The term will not exceed 15 years.

## FINANCING FOR JOB CREATED/RETAINED

- ◆ Priority will be given to businesses that create or retain jobs, especially for low and moderate income residents.

## COLLATERAL REQUIREMENTS

- ◆ All loans must be 100% secured with sufficient collateral. Collateral may be in the form of land, buildings, equipment and other assets that have enough equity value to match the loan.

## APPLICATION COSTS & FEES

- ◆ There is no application fee. However, any costs incurred by the applicant in preparing documentation for the application to the Micro-Loan program will be borne by the applicant as well as any costs associated with legal document preparation, review, recordings, filing and closing documents. Program staff can provide some assistance with the application process and provide referrals to free business assistance services.

**For more information on the Phillips Area Micro-Loan Program or to obtain an application, please contact the Phillips Town Office at (207) 639-3561 or write to 15 Russell Street, Phillips, ME 04966.**

**Guidelines and Application also available online at [www.phillipsmaine.com/business](http://www.phillipsmaine.com/business).**

