

**PHILLIPS AREA
MICRO-LOAN PROGRAM HIGHLIGHTS**

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 FOR LOW/MODERATE INCOME CITIZENS.

LENDING CRITERIA

The business must be located within the boundaries of Phillips, Avon or Madrid in Maine. Applicant does not need to live in Phillips, Avon or Madrid. Priority will be given to businesses that create or retain jobs, especially for low and moderate income residents. Applicants for Micro-Loan funds must be an owner, partner, chief executive officer or have power-of-attorney to apply for financing.

ELIGIBLE ACTIVITIES

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 or working capital.

AMOUNT OF FINANCING AND TERMS

Loans can be \$2,500 to \$25,000. Interest rates will be fixed and below market. Terms up to 15 years.

FINANCING REQUIREMENTS

Loans that exceed \$15,000 may require a dollar-for-dollar match of money for the portion that exceeds \$15,000. The Micro-Loan program is not intended to be the lender of first resort. Available bank financing or personal resources should be pursued first. Other loan conditions may apply as established by the Loan Review Committee.

COLLATERAL REQUIREMENTS

All loans must be 100% secured with sufficient collateral.

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, recordings, UPC filing, collection costs, plus any fees associated with discharging mortgage at end of loan.

Application or More Information

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