

# County of Racine

## Community Development Block Grant Revolving Loan Fund (CDBG-RLF)

This program was designed specifically to assist businesses in Racine County. The program primarily finances real estate projects, equipment purchases and limited working capital needs. The CDBG-RLF partners with your bank providing a portion of your financing needs.

The County CDBG-RLF offers a below market interest rate, currently as low as 2%. Its participation cannot exceed either 50% of the total eligible project costs or \$300,000.

### Program Parameters

Borrower Equity Requirement:

- 10% of project cost.

Loan Amount:

- Generally up to 40% of the project costs.



*Quadra, Inc. benefitted from the CDBG-RLF using it to purchase new equipment and to create a new clean room for manufacturing new product lines.*



### Eligible Project Costs

- Land and building purchases
- Building construction
- Equipment, furniture and fixture purchases
- Limited working capital and training costs
- Demolition, renovation, and improvements of buildings
- Purchase of rolling stock

### Fees

- Estimated \$1,000 legal fee
- 1.5% processing fee
- Out-of-pocket closing costs

### Rates & Terms

- As low as 2%
- Up to 5 year term
- Up to 20 year amortization
- Key man life insurance typically required.

Note: The term of the loan depends upon the items being financed.

### For More Information Contact:

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