

Intermediary Relending Program

Catawba Regional Development Corporation



Catawba Regional Development Corporation (CRDC) was formed in 1982 to promote business growth in the region. Three different loan programs are available, including the Intermediary Relending Program.

The Intermediary Relending Program was started in 1992 with funds from the federal office of Rural Development. These funds have been used by many businesses in the region with the purpose of promoting economic development in non-metropolitan areas.

“*IRP funds combined with bank financing can be a powerful economic development tool. These funds are available to new and expanding businesses for the purpose of stimulating development in rural areas and creating jobs.*”

Availability

IRP funds from \$50,000 - \$250,000 are available to small businesses located in all South Carolina Counties. These funds can be used in conjunction with bank financing to fund up to 90% of eligible project costs. A below market interest rate and a negotiable term can significantly lower overall debt service providing improved cash flow for the business.



Industrial, commercial, service, and retail companies are eligible for IRP funds. These funds can be used for fixed assets and working capital. In some instances, debt refinancing can be considered. Owner equity injection is required.

Application Process

The application process includes submitting:

- Business Financials/Tax Returns—3 years
- Personal Financials/Tax Returns—3 years
- Outline of Project Costs
- Business Plan—for Start Ups
- Projections—for Start Ups/significant business expansion

Cash flow, credit history and collateral will be considered in the loan review process.

Intermediary Relending General Guidelines

- Loan amounts from \$50,000 - \$250,000
- Fixed Interest Rate
- Negotiable Terms
- 1.5% Origination Fee
- Legal fees vary
- Prepayment penalty applies
- Job Creation - One job for every \$25,000 of IRP funds loaned
- Uses for loan funds include:

Land
Building
Building Expansion
Machinery
Equipment
Working Capital



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