



McHenry County

Revolving Loan Fund



The McHenry County Revolving Loan Fund, or MCRLF, is an economic development program designed to support business growth and job creation within McHenry County. The MCRLF is intended to provide an affordable source of financing to businesses located or to be located in McHenry County that can be used in conjunction with or in place of traditional commercial or SBA loans. The program is not intended to compete with commercial financing options but rather offer a secondary financing source to help defer lending risk or provide an alternative source of financing for higher risk businesses.

Who Can Apply?

Any new or expanding business located in or relocating to McHenry County and in good standing with the State of Illinois is eligible to apply for this low-cost loan. To meet the strategic economic development goals for McHenry County, strongest consideration is given to applicants from the Manufacturing / Industrial sectors, Agricultural / Mining sectors and locally owned / operated businesses.

The MCRLF Program Provides

- ◇ Low interest source of financing
- ◇ Minimal upfront costs
- ◇ Variable maturity options (3 years to 7 years)
- ◇ Lower costs than SBA loans
- ◇ Higher risk threshold than conventional financing may accept.

Lending Parameters

- Funding is subject to availability and applications are reviewed on a first-come first-served basis. Funds can be used for a variety of purposes but the strongest consideration is given to applications that seek funding for:
 - ◆ Building construction, expansion or renovation
 - ◆ Equipment / machinery acquisition
 - ◆ Property acquisition for business expansion.
- The maximum loan amount shall be \$200,000 or 45% of the total project costs, whichever is greater.
- All loans must be secured with adequate collateral to support the debt.
- Monthly payments based on three to seven years maturity.
- Payments begin approximately 30 days after closing the loan.
- There is a \$100 non-refundable application fee.
- The borrower shall reimburse the County for all closing costs and related loan fees.

Current Interest Rates

Interest rates are tied to the yield for U.S. Treasury Securities. The current rate schedule is:

<u>MATURITY</u>	<u>INTEREST RATE</u>
3 Years	3 yr. Treasury yield + 100 b.p.
4 Years	4 yr. Treasury yield + 125 b.p.
5 Years	5 yr. Treasury yield + 150 b.p.
6 Years	6 yr. Treasury yield + 175 b.p.
7 Years	7 yr. Treasury yield + 200 b.p.

How to Apply

Applications are available on the McHenry County Economic Development Corporation (MCEDC) website at:
www.mchenrycountyedc.com/general-information/loan-fund

Only completed applications with all the necessary supporting documentation and financial information will be considered. If you would like to pursue MCRLF funding in conjunction with conventional bank financing, talk to your lender about combining this application with their loan package to streamline the lending process. Submit completed applications to:

McHenry County Deputy County Administrator
2200 N. Seminary Road, Woodstock, IL 60098.

For More Information, Contact

McHenry County EDC

620 Dakota Street
Crystal Lake, IL 60012
Phone: 815-893-0895

Email: info@mchenrycountyedc.com

McHenry County Department of Administration

2200 North Seminary Avenue
Woodstock, IL 60098
815.334.4041

Email: countyadmin@co.mchenry.il.us