

HOLYOKE INDUSTRIAL DEVELOPMENT LOAN PROGRAM
Below Market-Rate Gap Financing

The Holyoke Economic Development and Industrial Corporation (HEDIC) provides low interest financing to qualified industrial businesses. To be eligible a firm must be a new or expanding industrial business; the capital loaned must be for fixed asset acquisition, construction and/or capital.

USES:

- Land or building acquisition
- Purchase of machinery and equipment
- New construction or renovation
- Leasehold improvements
- Working capital

REQUIREMENTS:

- Projects funded by HIDP must generate one new job per \$20,000 of funds loaned
- Loan must be for the owner/user of the business
- Business must be located in Holyoke
- Business must provide satisfactory financial data
- Loans made to for-profit industrial or industrial-related businesses only
- “But For” requirement - Project could not proceed “but for” HEDIC participation

LOAN AMOUNT:

- Limited to 30% of total project cost, or \$100,000, whichever is less

RATE:

- 70% of prime, fixed at date of the vote of the Board of Directors of the Holyoke Economic Development and Industrial Corporation

TERMS:

- 1 -- 10 years, contingent upon life of asset being financed

ADVANTAGES:

- Reduced down payment requirements
- Reduced debt service payments

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