



About Our Small Business Loans

Loan Amounts:

- Start-Ups: \$2,500 to \$35,000
- Existing: \$2,500 to \$50,000 (at least two years of operating experience)

Rates and Terms:

- Maximum loan term is 5 years
- Interest rate is fixed on the date of closing and based on the amount borrowed, the term of the loan and the collateral that is pledged. Our rates are consistent with the commercial lending industry.

Use of Funds:

- Inventory and/or supply purchases
- Machinery and/or equipment purchases
- Leasehold improvements
- Working capital
- Gap financing

Collateral Options:

- Personal and/or business real-estate
- Machinery, equipment and inventory
- Stocks, bonds, CDs (investments tied to a retirement account are not eligible)
- Whole life insurance policies
- Personal guaranties of applicant(s) and spouse(s)
- Other fixed assets

Eligibility:

- Start-up or expanding small businesses
- Businesses with less than 50 employees
- Businesses with less than \$999,999 in annual sales
- Childcare providers must have at least attended the potential provider meeting from the Department of Public Welfare
- Ineligible businesses include: any business that earns 30% or more of its revenue from gaming, multi-level marketing, speculative real estate and/or adult oriented businesses

Location:

- Business must be located in one of the following Pennsylvania counties:
 - Carbon
 - Lackawanna
 - Luzerne
 - Monroe
 - Pike
 - Susquehanna
 - Wayne
 - Wyoming

Other Criteria:

- Applicants must be U.S. citizens or legal residents

An affiliate of the Greater Scranton Chamber of Commerce



How to Apply for a MetroAction Loan

Application Process:

- Applicants must complete and submit a Pre-Qualification Application (available on our website www.MetroAction.org) along with a \$15 non-refundable credit analysis fee.
- Applicants who are pre-qualified will be provided with an application checklist for the loan program that best fits their financial need.
- Complete the application checklist and return it with the required supporting documentation to MetroAction. We may require you to schedule an appointment at our office.
- MetroAction will process the application and forward it to our loan review committee. Our staff may need to contact you for additional information.
- The committee makes the final decision on approving or declining loan requests. Once the committee has made its decision, MetroAction staff will contact the applicant with the next steps.
- The entire loan application process may take 4-6 weeks.
- Carefully read all of the pre-qualification and loan checklist documents to determine what information you must submit. Incomplete applications will not be reviewed.

Pre-Qualification Application

The first step in applying for a loan with MetroAction is to fill out the pre-qualification application. This application is relatively short—two pages total—and gives us a picture of your current financial status and allows us to view your credit report. All guarantors or cosigners must fill this out, including everyone who owns 20% or more of the business.

Supporting Documentation

Pre-qualified applicants may need to submit supporting documentation:

- Business plan
- Personal financial statement;
- 3 years of income tax returns, both personal and business;
- 3 years of cash flow projections;

Guarantors and Cosigners

Guarantors and/or cosigners can often make the difference in whether or not your application is approved. All individuals who own 20% or more of a corporation or partnership are required to serve as personal guarantors for the loan. We encourage applicants to include their spouses as guarantors. Oftentimes, the spouse's credit and/or income will actually increase the likelihood of being approved. A strong guarantor is the best remedy for a lack of collateral. We will always want to have some collateral from the primary applicant, but in cases where there is little or marginal collateral, having a guarantor with a strong income and credit rating can mitigate the requirement.

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