

## **EXISTING INDUSTRY PRODUCTIVITY LOAN PROGRAM**

The Mississippi Existing Industry Productivity Loan Program, administered by the Mississippi Development Authority (MDA), is designed for making loans to existing industries that have been operating in the state for at least 2 years and meet minimum criteria established by MDA.

A manufacturing enterprise is one that is exclusively or predominately engaged in activities of an industrial or commercial nature wherein labor or skill is applied by hand or machinery, to materials belonging to the manufacturer so that a new, different, or more useful article is produced for sale.

Loan funds are to be used to finance long-term fixed assets. These are assets that, through new technology, will improve productivity and competitiveness of the company. The benefits of such asset must be documented.

An existing industry that accepts a loan under this program shall not reduce employment by more than 20% through the use of the long-term fixed assets for which the loan is granted. MDA will conduct a financial analysis of the business or industry requesting the loan. Guarantees will be required on all persons or entities with 20% or greater interest in the company.

<b>TERMS:</b>	Maximum term: 10 years or estimated useful life of Fixed Assets, whichever is less.
<b>AMOUNT:</b>	Minimum loan amount: \$250,000 Maximum loan amount: 50% of total project cost or \$500,000, whichever is less.
<b>RATE:</b>	Interest rate on the most recent issue of 20-year state general obligation bonds occurring prior to the date the loan is made.
<b>FUNDING:</b>	Funding is derived from the issuance of state general obligation bonds.

To apply for this program, the eligible entity should contact MDA for additional program information.

Statute: Section 57-93-1, MS Code