

Incentive Financing Summary Heffner and Associates, Ltd.

| Name of Program | Who is Eligible | Identify Benefit | Restrictions | How to Apply |
|--|--|--|---|---|
| Basic 7(a) Loan Guaranty (SBA) | Start up and existing small businesses | To help qualified small businesses obtain financing when they are not eligible through normal lending channels | Loan maturity is up to 10 years for working capital and generally up to 25 years for fixed assets. | Through commercial lending institutions or County Job Center or Heffner and Associates. |
| Certified Development Company, a 504 loan program (SBA) | Small businesses requiring "brick and mortar" financing | Provides long term, fixed rate financing to small businesses to acquire real estate or machinery or equipment for expansion or modernization. | Business must create or retain one job/\$50K provided by the SBA. "Small Manufacturers" must create or retain 1 job/\$100,000 or improve the economy of the locality or achieve one or more public goals. | Through commercial lending institutions or Regional Economic Development Center or County Job Center or Heffner and Associates. |
| Microloan, a 7(m) Loan Program (SBA) | Small businesses and non-profit child-care centers needing small scale financing and technical assistance for start-up or expansion. | Short term loans up to \$350,000 for working capital or the purchase of inventory, supplies, furniture, fixtures, machinery, and/or equipment. | Can't be used to pay existing debts or purchase real estate. | Through commercial lending institutions or Regional Economic Development Center or County Job Center or Heffner and Associates. |
| Business and Industry Guaranteed Loans (USDA) | Borrower must be: (1) Providing employment (2) Improve economic/environmental climate (3) Promote conservation, development, and use of water for aquaculture (4) Reduce reliance on nonrenewable energy resources | To improve, develop, or finance business, industry, and employment and improve the economic and environmental climate in rural communities | Total amount of loan not to exceed \$10 million. Maximum repayment not to exceed 30 years on real estate and 15 years for machinery and equipment. | http://www.rurdev.usda.gov/oh/busdevel.htm or contact Heffner and Associates, Ltd. |

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| Rural Business Enterprise Grants (USDA) | Rural public entities, Indian tribes, and rural private non-profit corporations | Provides grants for rural projects that finance and facilitate development of small and emerging rural businesses that help fund distance learning networks, and help fund employment related adult education programs. | Discuss project with USDA Rural Development State Office. | Contact your USDA Rural Development State Office or County Job Center or Heffner and Associates. http://www.rurdev.usda.gov/oh/busdevel.htm |
| Rural Economic Development Loan Grant (USDA) | Non-Profit Utility Companies | Provides zero interest loans to local utilities which they pass through to local businesses for projects that will create and retain employment in rural areas | Maximum amount not to exceed \$300,000 | Contact your USDA Rural Development State Office or County Job Center or Heffner and Associates. http://www.rurdev.usda.gov/oh/busdevel.htm |
| Ohio Enterprise Bond Fund (ODOD) | Businesses expanding and able to show repayment and management capabilities | Allows access to national capital markets for unrated companies. Provides loans for land and building acquisition, construction, expansion or renovation and equipment purchases for eligible businesses. | Discuss with Regional Economic Development Director. | Contact the Office of Financial Incentives 800-848-1300 ext. 64551 or County Job Center or Heffner and Associates. |

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| Volume Cap Program (ODOD) | Must involve loans to low-income home buyers, student loans, construction or improvement of certain types of manufacturing facilities, solid waste treatment equipment or pollution abatement facilities, or multifamily rental housing developments. | Authorizes bond issuers with ability to finance projects at interest rates below that of the conventional market. | Discuss with Regional Economic Development Director. | Contact the Volume Cap Administrator 866-728-6749 or County Job Center or Heffner and Associates. |
| 166 Direct Loan (ODOD) | Businesses that create or retain 1 job for every \$15,000 of loan proceeds within a 3-year period. | Provides loans for land and building acquisition, expansion or renovation, and equipment purchase | Up to 30% of total eligible fixed costs. Minimum loan is \$350,000. Maximum loan is \$1,000,000. | Contact the Office of Financial Incentives 800-848-1300 ext. 64551 or County Job Center or Heffner and Associates. |
| Regional 166 Direct Loan (ODOD) | Must retain 1 job for every \$35,000 received | Provides loans for land and building acquisition, construction, expansion or renovation and equipment purchases for eligible businesses. | Up to 40% of total eligible fixed costs. Maximum loan amount is \$350,000. | Contact the Office of Financial Incentives 800-848-1300 ext. 64551 or County Job Center or Heffner and Associates. |
| Rural Industrial Park Loan (ODOD) | Non-Profit organizations that promote development in rural areas; local government units are eligible to apply for financing of off-site infrastructure improvements | Provides direct loans and loan guarantees to rural, distressed local communities and other eligible applicants committed to well-planned industrial parks. | Maximum loan amount is the lesser of \$1 million or 75% of total project costs. | Contact the Office of financial incentives 800-848-1300 ext. 64551 or County Job Center or Heffner and Associates. |

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| Innovation Ohio Loan Program (ODOD) | Leading technology companies needing financial resources for product commercialization | Funds the acquisition, construction, renovation or improvement of facilities, and the acquisition and installation of equipment for innovation projects that create new products and services. | Maximum loan amount is 75% of a projects qualifying costs | Contact the Office of Financial Incentives 800-848-1300 ext. 64551 or County Job Center or Heffner and Associates. http://www.thirdfrontier.com/ |
| Research and Development Investment Loan Fund Program (ODOD) | Projects in which research is undertaken for the purpose of discovering and developing new products or processes, techniques, formulas, or inventions. | Incentivizes Ohio companies to make new investments in R&D activities | Maximum annual tax credit = \$150,000 | Contact the Office of Financial Incentives 800-848-1300 ext. 64551 or County Job Center or Heffner and Associates. |
| Trade Adjustment Assistance Center | Must be in business for at least 2 years and be able to show evidence of distress caused by imports. | Helps small manufacturers that have been negatively impacted by imports improve their competitive and long-term viability | Must be able to show a decline in sales over the past 12 months, a loss of 5% of workforce, and a loss customers who are purchasing imported products in direct replacement of products produced by the firm. | Contact Great Lakes TAAC at 877-877-5439 or Heffner and Associates. |

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| SBA Express Loan | Start up or growing small for-profit businesses | Can be used for working capital, business real estate, inventory, equipment, furniture and fixtures and revolving lines of credit | Maximum amount available is \$350,000. This is a 50% loan guaranty, which means the SBA does not give you the loan. You must go through your approved local lender. The SBA promises the lender that a portion of the loan will be paid back if the borrower defaults. | Contact your local SBDC or Heffner and Associates. |
| SBA Community Express Loan | Start up or growing small for-profit businesses | Can be used for working capital, business real estate, inventory, equipment, furniture and fixtures and revolving lines of credit | Maximum amount available is \$250,000. This is an 85% loan guaranty for amount of \$150,000 or less and 75% on amounts above \$150,000. You must go through an approved lender. This program is only available to women, minorities, veterans and businesses located in economically distressed areas. | Contact your local SBDC or Heffner and Associates. |

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| SBA Patriot Express Loan | Must meet standard SBA 7(a) loan eligibility and must be 51 % or more owned/controlled by: Veteran (other than dishonorably discharged; Service-disabled veterans; Active-duty service members eligible for the military's Transition Assistance Program; Reservists and National Guard members; current spouses of any of the above; widowed spouse of a service member or veteran who died during service or of a service-connected disability are all eligible | Can be used for most business purposes, including start-up, expansion, equipment purchases, working capital, inventory or business-occupied real-estate purchases. | Loans are available up to \$500,000 and qualify for SBA's maximum guaranty of up to 85% for loans of \$150,000 or less and up to 75% for loans over \$150,000 up to \$500,000. For loans above \$350,000, lenders are required to take all available collateral. | Contact your local SBDC or Heffner and Associates. |
| GrowNow | Eligible businesses must employ less than 150 employees, have an office in Ohio, and be organized for-profit. | This is an interest rate reduction program designed to help small businesses grow by providing them with critical cash flow. | When a business is approved for a loan from one of hundreds of eligible banks in Ohio, GrowNow provides an additional 3% discount on the loan's already negotiated interest rate, when the loan is linked to creating or saving jobs in Ohio. | Contact State of Ohio Treasurer's Office http://www.ohiotreasurer.org/ForBusiness/Default.aspx?Section=GrowNow or Heffner and Associates. |

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| America's Recovery Capital Loan Program (ARC) (SBA) | Available to viable, for-profit small businesses in the U.S. that have qualifying small business loans and are experiencing immediate financial hardship. Your small business must be an established business, have financial statements demonstrating it was profitable in one of the past two years, and be able to project sufficient cash flow to meet current and future loan payments over a two-year period from loan approval. | Provide an immediate infusion of capital to small businesses to assist with making payments of principal and interest on existing debt. | Borrowers whose loans are already severely delinquent or whose past performance or future cash flow indicates that the business is not viable are not good candidates for an ARC loan.. | Contact your local SBDC or Heffner and Associates. |

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| Intermediary Relending Program (IRP) | Provided they owe no delinquent debt to the Federal Government, the following entities may apply for loans from intermediary lenders: U.S. citizens or individuals who have been legally admitted to the U.S., those located in a rural area defined as an area with a population of 25,000 or less, an entity that is able to incur debt, give security, and repay the loan, a corporation, partnership, LLC, individual, non-profit corporation, public body. | The purpose of the IRP program is to alleviate poverty and increase economic activity and employment in rural communities. Loans are provided to local organizations (intermediaries) for the establishment of revolving loan funds. These revolving loan funds are used to assist with financing business and economic development activity to create or retain jobs in disadvantaged and remote communities. | An intermediary may borrow up to \$2 million under its first financing and up to \$1 million at a time thereafter. Total aggregate debt is capped at \$15 million. In recent years, loans to intermediaries have been capped at \$750,000. Ultimate recipients may borrow up to \$250,000. | Contact your USDA Rural Development State Office, County Job Center, or Heffner and Associates. |
| Ohio Capital Access Program | Small businesses with annual sales of less than \$10 million; the borrower's principle place of business must be in Ohio; and the borrower must create or retain jobs. that are having difficulty obtaining business loans through conventional underwriting standards. | Use of proceeds may include (working capital) lines of credit; or the purchase or construction of fixed assets such as buildings and equipment. Refinancing of other lenders' existing loans is also eligible. Contruction or purchase of residential housing and passive real estate investments are ineligible. | Maximum loan amount for working capital is \$250,000; maximum loan amount for fixed assets is \$500,000. | Ohio Dept. of Development (614) 644-7708 or Heffner and Associates |

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| Minority Direct Loan Program | Any operating business entity which has been certified by the State Equal Opportunity coordinator as a Minority Business Enterprise and which demonstrates that its fixed asset expansion/retention project will create or retain jobs for Ohio citizens. | Funds may be used for part of the cost of acquisition, renovation or construction of depreciable fixed assets. In addition, limited soft costs related directly to the fixed asset expenditure may be included. | Minimum direct loan is \$45,000. The maximum participation by the Minority Direct Loan Program in any one project cannot exceed 40% of the total fixed asset costs serving as collateral for the State loan. Loan term cannot exceed 15 years for real estate financing or 10 years for machinery financing. In addition, the loan term cannot exceed the term of the bank loan. | Ohio Dept. of Development, Office of Minority Business Financial Incentives (614) 644-7708 or Heffner and Associates |
| Economic Injury Disaster Loans | Small businesses, small agricultural cooperatives and most private, non-profit organizations of all sizes needing to meet their ordinary and necessary financial obligations that cannot be met as a direct result of the <i>Toxic Algae Bloom in Grand Lake St. Marys</i> disaster. These loans are intended to assist through the disaster recovery period. | The actual amount of each working capital loan is limited to the economic injury determined by SBA, less business interruption insurance and other recoveries up to the administrative lending limit. SBA also considers potential contributions that are available from the business and/or its owner(s) or affiliates. | The law limits EIDL(s) to \$2,000,000 for alleviating economic injury caused by the disaster. If a business is a major source of employment, SBA has the authority to waive the \$2,000,000 statutory limit. Loan terms are up to a maximum of 30 years. <i>Application deadline is July 19, 2011.</i> | SBA Disaster Assistance Customer Service Center 800-659-2955 or Heffner and Associates. |

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| Rural Energy for America Program Guaranteed Loan Program (REAP LOAN) | SEE ENERGY & GREEN INCENTIVES SECTION | | | |
| Rural Energy for America Program Grants/Energy Audit and Renewable Ene4rgy Development Assist (REAP/EA/REDA) | SEE ENERGY & GREEN INCENTIVES SECTION | | | |
| Section 9006 Guaranteed Loan Program (USDA) | SEE ENERGY & GREEN INCENTIVES SECTION | | | |
| Section 9007 Grant Program (USDA) | SEE ENERGY & GREEN INCENTIVES SECTION | | | |