



### Past Projects

- Financed the Montgomery County/Blacksburg Industrial Shell Building Project.
- Provided a loan to a biotechnology company in the Virginia Tech Corporate Research Center to allow for expansion and purchase of new equipment so the company could bring new patented products to market.
- Loaned a Blacksburg chemical analysis and materials testing firm the funds to purchase state-of-the-art equipment allowing the company to remain competitive.
- Provided a loan to a Christiansburg firm that produces precision designs and subsequent Dies, Molds, and machines to serve the metal and plastics industries.
- Provided a loan to a Christiansburg Company in the Christiansburg Industrial Park to allow for the purchase of new state-of-the-art equipment in order to better serve the needs of the community and remain competitive in the market place.
- Provided a loan to a manufacturing company in the Falling Branch Industrial Park to purchase transportation equipment to facilitate the effective shipping and delivery of their manufactured products.

## MBC LOANS

**If you are  
interested in  
learning  
more about MBC  
or applying for financial assistance  
please contact:**

**Montgomery County  
Department of Economic  
Development  
755 Roanoke Street, Suite 2H  
Christiansburg, VA 24073-3184**

Phone: (540)382-5732

Fax: (540)381-6888

Web Page: [www.montva.com](http://www.montva.com)

e-mail:

[mcded@naxs.com](mailto:mcded@naxs.com)



# MBC DEVELOPMENT CORPORATION

*A Revolving Loan Fund*

*Supporting  
Community Economic  
Development*



DEPARTMENT OF ECONOMIC DEVELOPMENT  
755 Roanoke Street, Suite 2H, Christiansburg, VA 24073- 3184

# What is MBC Development Corporation?

MBC Development Corporation is a local, not for profit, Community Development Corporation (CDC). It was created to assist and encourage expansion and diversification of the employment base in the County and the Towns of Blacksburg and Christiansburg. MBC provides loans to small businesses on terms not always available from traditional lending institutions.

To operate, MBC receives Investment Capital from Grants of the Federal Economic Development Administration, local community minded Banking Institutions and the private sector. These loan funds are intended to supplement, not substitute for, private sector capital investment and small business loans from traditional sources.

MBC seeks to fund small business needs where:

- , A financial supplement may be needed to “bridge” the gap between private investment and traditional borrowing.

- , Capital for a project is required to facilitate the participation of others.

The recipients of MBC loans are small businesses that are deemed to have potential for growth and success in their area of expertise or specialization. MBC carefully screens all applicants weighing a variety of factors including: credit worthiness, collateral, financial strength and stability of the business or business entrepreneur, and the positive contribution or financial impact the business may offer to the community.

Typically, the loan period is five years or less, making it a short term loan. The amount of the loan is determined by need and availability of funds (generally, \$5,000 - \$50,000). Repayment terms generally require monthly or quarterly payments of principal and interest.

The MBC Investment Committee and MBC Board of Directors approves all loan requests, on a case by case basis; the Board’s actions are not limited or restricted to precedent actions.

Funds may be used for Venture Capital, Working Capital, the purchase of machinery and equipment or acquisition of certain Fixed Assets. Generally funds are not approved for debt consolidation, re-payment of existing debt or speculative development.

A business involved primarily in General Retail Trade is not eligible for MBC loans.

While there are restrictions, there are also many benefits to receiving a loan from MBC. Unlike many conventional loans, the terms and conditions are negotiated based on the applicant’s ability to pay. This makes the loan appealing for small businesses. In addition, the interest rates are flexible and are typically below market rates.

The MBC Board of Directors highly suggest start-up businesses obtain professional assistance to compile financial statements and/or the company’s business plan.

MBC may be a viable solution for financing for small business. If you are interested in receiving more information about MBC Development Corporation, please contact the Montgomery County Department of Economic Development at (540) 382-5732.

# FUNDING FOR MBC

MBC established its initial Loan Fund from investments contributed by two local banks, the First National bank of Christiansburg, (FNB) and the National Bank of Blacksburg, (NBB).

Additional funding was provided by the EDA’s Rural Enterprise Grant program and, in 1995, an investment by First Virginia Bank added to the corporation’s available lending base.

The corporation is continually seeking capital investments from the public and private sector to enhance its Loan Fund balances.

MBC has loaned more than \$500,000 to local businesses since it was founded in 1990.

MBC’s activities have included:

- , Funding venture capital
- , Developing shell building projects
- , Attracting new industry
- , Aiding existing industry
- , Supporting start-up industries
- , Conducting community related projects

MBC minimum requirements for applicants:

- , Company to be located in Montgomery County, Town of Blacksburg or Town of Christiansburg
- , Prepare comprehensive Business Plan
- , Submit related financial documents