

BUSINESS LOAN PROGRAM MATRIX

	Microloan Program	Small Business Gap Loan	Grow America Fund*
Use of Funds	Acquisition of commercial land/buildings, purchase of machinery/equipment, site/tenant improvements, working capital, soft costs	Acquisition of commercial land/buildings, purchase of machinery/equipment, site/tenant improvements, working capital, soft costs	Acquisition of commercial land/buildings, site/tenant improvements, purchase of machinery/equipment, debt restructuring, soft costs
Financing Amount	\$5,000-\$25,000	\$25,000-\$500,000	\$100,000-\$5 million
Financing Structure (% of Project Cost)	10% equity preferred	10% equity preferred. Loan preferably <u>covers no more than 33% of total project costs.</u>	Borrower equity: 0-30% Grow America Fund: 70-100%
Loan Term, Amortization Period	Amortized from 5 to 7 years	Amortized up to 14 years based on asset life and up to 7 years for working capital - all with a 5-year call	Up to 25 years based on asset life; up to 10 years for working capital
Interest Rate	The lower of 4% or 75% of prime rate	The lower of 4% or 75% of prime rate	Negotiated, range from below prime to prime + 2.75%
Fees (% of Loan)	Non-refundable \$50 application fee, closing costs and 1% loan fee paid at closing	Non-refundable \$150 application fee, closing costs and 1% loan fee paid at closing	Variable guarantee fees plus closing costs
Security	Collateral and equity not required	Collateral lender: Lien on fixed assets, personal guarantees from business owner(s) secure the loan.	Flexible (not a collateral lender); personal guarantees or liens on assets
Contact	DIERDRE PATTERSON / EMAIL: DPATTERSON3@CITYOFTACOMA.ORG / PHONE: 253-591-5621 *GROW AMERICA FUND - KALEB KIM (NATIONAL DEVELOPMENT COUNCIL) / EMAIL: KKIM@NDCONLINE.ORG / PHONE: 949-257-2009		