

GROW BROOME FUND

Program Guidelines and Operating Criteria

LENDER

The Grow Broome Fund is the operational and marketing name affiliated with the Grow America Fund, a NYC-based Community Development Financial Institution (CDFI) licensed under the U.S SBA Preferred Lenders Program (PLP). We focus on providing flexible and patient expansion loans to established small businesses, manufacturers and distributors.

BORROWER

This program is open to qualified, existing businesses in operation for at least 3 years with 2 – 500 employees and revenues generally between \$500,000 and \$20 million (subject to the SBA size standards by industry). Real estate investment or development projects and financing entities are not eligible.

LOAN RANGE

Our loans range from \$150,000 - \$2,000,000 for operating businesses located in Broome County, New York. However, the amount a business and its affiliates can borrow is subject to underwriting and available cash flow.

USES & TERM

- Working Capital –10-year term
- Machinery & Equipment – 10-year term
- Real estate acquisition and/or renovation – 25-year term
- Tenant Improvements – Term may extend the life of the lease

APPLICATION FEE

No application fee. Closing fees are detailed below.

CLOSING FEES

- Once a loan is approved by GAF Credit Committee, applicant must submit a 1% refundable deposit, Said deposit is due at commitment letter signing and is used to cover appraisal, legal, and other costs incurred prior to closing.
- SBA guarantee fee of 2-3%, and
- All closing costs may be financed into the loan.

INTEREST RATE

- Up to WSJ Prime + 1% - 1.5%, variable quarterly. (Effective rate: 4.25-4.75% as of 1/29/2015)
- Fixed rates are available upon request.
- Interest-only periods are possible

COLLATERAL AND GUARANTEES

- Personal guarantees are required from any individual with > 20% ownership
- Security interest in all available collateral

REPORTING

As relationship lenders, GAF meets with every business in our portfolio annually. The business must provide NDC with financial statements and/or tax returns on at least an annual basis.

HOW IS GAF DIFFERENT?

- Lower Interest Rates to enhance community development.
- Longer repayment terms lowers monthly loans payment to preserves business equity.
- Flexible and understanding underwriting criteria that ensures your cash flow can cover your debt service

PUBLIC BENEFITS

As a mission-driven non-profit and CDFI, GAF must meet at least one of the following public benefits:

- Creation and retention of permanent jobs
- Business located in a Low or Moderate Income (LMI) census tract
- Business located in Redevelopment area and Enterprise Zone focus
- Minority and/or Woman-owned business

PROGRAM SPONSOR

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