

GROW SANTA CRUZ FUND

BORROWER:

Existing businesses in operation for at least 2 years, no real estate investment or development projects, no financing entities, 2 - 100 employees and revenues generally between \$250,000 and \$20 million but subject to the SBA size standards by industry

LENDER:

The National Development Council's Grow America Fund, a licensed US Small Business Administration Small Business Lending Company (SBLC) with Preferred Lender status (PLP) and a Community Development Financial Institution (CDFI)

AMOUNT:

\$100,000 - \$2,000,000

USES:

Include working capital, business purchase, equipment, inventory, tenant improvements, business construction, real estate acquisition

TERM:

7 to 25 years depending on the use of funds. Interest only periods are possible.

FEES:

- SBA guarantee fee of 2-3%, and
- 1% deposit paid at commitment letter signing for appraisal, legal, and other costs incurred prior to closing

INTEREST RATE:

Prime + 1-1.75%, variable quarterly (fixed rates also available) Totals approximately 5.50-6.25% today

COLLATERAL:

- Security interest in all available collateral
- For real estate: flexible Loan-to-Value, depending on underwriting

CASH FLOW COVERAGE:

Flexible, depending on underwriting

GUARANTEE:

- Personal guarantee from any individual that owns more than 20% of the business
- Personal guarantee from business manager if manager is not also owner

REPORTING

Borrowers shall provide NDC with financial statements and/or tax returns on at least an annual basis

GOVERNMENT GUARANTEE

Loans will participate in SBA 7(a) program

PUBLIC BENEFITS:

The Small Business Loans, each shall meet either one or a combination of the following public benefits: • Creation and retention of permanent jobs • Business located in a Low or Moderate Income census tract • Redevelopment area and Enterprise Zone focus

NEED MORE INFORMATION? PLEASE CONTACT

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