



A SUBSIDIARY OF RALEIGH AREA DEVELOPMENT AUTHORITY, INC



Providing loans
to small businesses
located within the
City of Raleigh.

www.rada-nc.org



WHAT IS RADA CIC?

RCIC is a City of Raleigh and Bank funded small business loan fund that has a particular focus on providing loans to existing small businesses located within the city. We provide collateralized loans of from \$15,000 to \$75,000. Our loans must fit the organization's lending criteria and objectives as a tax-exempt community investment entity.

OUR LOAN PRODUCT MATRIX

Financing for Small Businesses on transactions that are credit-worthy but for whatever reason, are not 100% suitable for Bank Debt. Whether for your own business, or to help you close a loan with your bank, the RCIC Loan Product Matrix highlights financing terms that may help you and your business. RCIC can also help your current bank get transactions done for you, as an important participant and secondary mezzanine lender.

RADA CIC LOAN PRODUCT MATRIX

	LOAN PRODUCT	PURPOSE / USE OF PROCEEDS	MIN/MAX. LOAN AMOUNT	LOAN TERM(S)	LOAN AMORTIZATION	LOAN INTEREST RATES*	REPAYMENT	COLLATERAL REQUIREMENT	MAXIMUM LOAN-TO-VALUE	GUARANTY(S) REQUIRED	APPLICATION FEE *** (REFUNDABLE)	COMMITMENT FEE (NON-REFUNDABLE)	PREPAYMENT PENALTY	MISCELLANEOUS PROVISIONS
1	WORKING CAPITAL LINE OF CREDIT	Revolving credit line for short-term, general working capital needs of the business	\$15,000 / \$50,000	1 year	n/a	Both fixed and variable interest rates are available, depending on credit worthiness and transaction details. Rates starting at 4.00% and up.	Monthly interest-only payments, with all outstanding principal + accrued but unpaid interest due at maturity	1st or 2nd position UCC Filing or similar lien, or Security Interest in suitable Assets (i.e. A/R & Inventory)	Up to 100% LTV	Full unlimited Personal and Business Guaranty(s)	\$250	The greater of 1.0% of Loan Amount or \$250 (less any amounts already paid as Application Fee)	n/a	Borrower may be required to submit frequent Borrowing Base Reports to verify Collateral prior to draws.
2	GENERIC TERM LOAN (including non-revolving Guidance Lines of Credit)	Used to finance the purchase of equipment or "term out" frozen working capital	\$15,000 / \$100,000	1 - 7 years	1 - 7 years		Consecutive monthly Principal & Interest Payments	1st or 2nd position UCC Filing or similar lien, or Security Interest in suitable Assets (i.e. A/R & Inventory)	Up to 100% Cost	Full unlimited Personal and Business Guaranty(s)	\$250	The greater of 1.0% of Loan Amount or \$250 (less any amounts already paid as Application Fee)	3% in year 1 2% in year 2 and then none thereafter	
3	COMMERCIAL REAL ESTATE MORTGAGE	Used to financed or refinance the mortgage on an Owner-Occupied commercial property	\$25,000 / \$500,000	3 - 7 years	10 - 25 years		Consecutive monthly Principal & Interest Payments	1st or 2nd position Deed of Trust in the financed property (plus assign. of Leases / Rents if applicable)	The Lesser of 100% Cost or Current Appraised Value.	Full unlimited Personal and Business Guaranty(s)	\$250	The greater of 1.0% of Loan Amount or \$250 (less any amounts already paid as Application Fee)	3% in year 1 2% in year 2 and then none thereafter	Approval may require a new; commercial appraisal, Phase I environmental report, survey, title work and insurances.

* All rates above are subject to change without notice. Variable rates will change as often as Daily with changes in that index. For Variable Rate transactions, the monthly payment may be adjusted to avoid Negative Amortization.

** Borrowers are responsible for all costs and fees relating to Lender's Due Diligence and Loan Processing, including Appraisals, Environmental studies, Property Inspections, Credit Reports, etc, regardless if the loan closes.

*** The Application Fee is refundable only if Lender cannot or will not offer a loan commitment letter pursuant to the terms set forth in the Term Sheet. Once accepted, the Commitment fee is Non-Refundable.

OUR OBJECTIVE

While the Purpose of the RADA commercial loan fund is to deploy funds into commercial lending opportunities, the Objective is to deploy funds that foster local economic growth, job creation and help facilitate financing for certain borrowers who may be credit-worthy but otherwise unable to secure traditional bank financing.

This objective supports RADA's overall mission by providing assistance to business owners who may also be classified as low to moderate income individuals, or business owners whose businesses are located in, or have the ability to serve, low to moderate income markets. Loans from the program can be used to help small businesses with such things as buying new equipment, buying or renovating commercial space and general working capital needs. All loan requests must go through an Application and Approval process. See the inside of this brochure for more product information.

CONTACT US

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