

More about the Grow America Fund...

Small Business Lending

The NDC Grow America Fund (GAF), in cooperation with our Community Partners, provides financing to growing small businesses throughout the country. GAF operates as a community development lender to support the creation of jobs and the expansion of eligible small businesses in underserved areas, particularly minority and women-owned businesses. The financing provided is partially guaranteed by the U.S. Small Business Administration under GAF's Small Business Lending Company license, and GAF has Preferred Lender status nationwide.

"GAF has lent over \$116 million to 366 businesses across the country, creating or retaining over 9,200 jobs and leveraging over \$180 million in the process."

-John Palyo, President

NDC Grow America Fund



Grow Salinas Fund

City of Salinas
Economic Development Department
65 West Alisal Street, 2nd Floor
Salinas, CA 93901

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**Where
Business Thrives...**

Grow Salinas Fund



**Flexible Term Loan Financing for
Eligible Small Businesses...**

Phone: (xxx) xxx-xxxx

HOW GROW SALINAS FUND HELPS YOU...

The City of Salinas and the Grow America Fund have established and capitalized the Grow Salinas Fund as an economic development tool designed to assist eligible small businesses within the City of Salinas to obtain the financing required to grow their businesses. Loans made under this program will be underwritten by the Grow

America Fund and guaranteed by the Small Business Administration (SBA) under GAF's Small Business Lending Company License. Therefore, each loan must comply with SBA guidelines and procedures. In order to



qualify for these loans, a business must be a for-profit operating entity; it must be financially healthy and in need of expansion capital.

SPECIFICS

Loan Amount, Rate and Term

The Grow Salinas Fund can make loans ranging from xxxx to xxxx as permitted by the US SBA at or below market rates, for terms up to xxx years depending on proposed use of funds.

GROW SALINAS FUND

The Grow Salinas Fund is a unique partnership between the City of Salinas and Grow America Fund, Inc. (GAF) The Grow America Fund, a nationally recognized non-profit Small Business Lending Company licensed by the Small Business Administration, is also a Community Development Financial Institution as designated by the U. S. Department of Treasury, CDFI Fund.

WHAT DOES GROW SALINAS OFFER A BORROWER?

Grow Salinas offers affordable growth capital with advantageous terms to borrowers who will create jobs and invest in our community.

USE OF PROCEEDS

Loans proceeds may be used for any legitimate business purpose, including working capital, machinery and equipment, acquisition of land and building, construction, renovations and tent improvements. Grow Salinas however, does not provide venture capital and cannot provide funds for research and development or to satisfy equity or near-equity needs.

COLLATERAL

All loans must be adequately collateralized from available assets and the personal guarantee of each owner holding a 20% or more interest in the small business is required.

STRUCTURE

The typical structure:

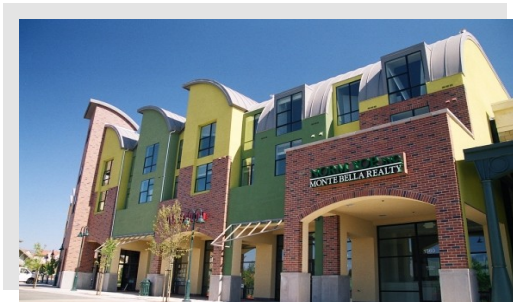
Working Capital: 3-10 years (normally 5-7)

Machinery & Equipment: 5-10 years of life of the asset

Tenant Improvements: term of the lease

Acquisition of Real Estate: Up to 25 years

Construction/Renovations: Up to 25 years



DOES GROW SALINAS COMPETE WITH LOCAL BANKS AND OTHER LENDERS?

No, Grow Salinas Fund is meant to complement, not replace, existing sources of financing. GAF encourages the borrower's bank or other lenders to participate in providing a portion of the total financing. Grow Salinas always



works with existing lenders to structure the best financing available for the borrower. The Grow Salinas Fund will operate according to prudent lending practices.

APPLICATION PROCESS

Information Required

A brief description of the projects, including proposed sources and uses of funds.

Corporate Financial Statement or Tax Returns for previous year.

Current Personal Financial Statement of all principal who own more than 20% of company stock.

A Credit Release, authorizing GAF and the Grow Salinas Fund to obtain personal and corporate credit reports.

Our staff is readily available to assist you through the application process. Please contact us to learn more.



Grow Salinas Fund

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