



GAP FINANCING AT REASONABLE RATES

The Barren River Area Development District's Revolving Loan Fund is designed to assist small businesses in start-ups or expansions.



CONTACT US

177 Graham Avenue, Bowling Green, KY 42101
270-781-231
emily.hathcock@bradd.org
www.bradd.org

@BarenRiverADD



BARREN RIVER



AREA DEVELOPMENT DISTRICT

REVOLVING LOAN FUND



PROGRAM REQUIREMENTS

1. The program requires bank or other credit institution participation. The other lenders must provide documentation that they cannot make the entire loan and that the RLF participation is needed.
2. The project must create or retain jobs. The RLF will not loan more than \$20,000 per job.
3. RLF loans cannot exceed \$100,000. Total projects costing less than \$100,000 may receive up to 50% RLF participation. Projects totaling over \$100,000 may receive up to 25% RLF participation.
4. The owner must inject a minimum of 10% of the project costs.
5. The RLF cannot participate in a project that involves the relocation of a facility from one labor market area to another.
6. The RLF will participate in fixed asset financing (land, building and equipment). Working capital financing can be made available in some instances.
7. The RLF cannot fund debt consolidation, refinancing or repayment of existing debt.
8. Personal guarantees will be required of principals with 20% or more ownership.
9. Since the source of the funds are federal monies, all construction financed with the RLF will be required to pay prevailing wages as set forth under the Davis-Bacon Act. State Clearinghouse comments must be received prior to the start of any project activities.

**LOCAL BUSINESSES,
LOCAL RESOURCES.**

TERMS & RATES

Repayment terms will be based upon the size, maturity and purpose of each project, and the terms and conditions of other participating lenders.

The rate is set at the date of the closing and will generally not be more than 4% below the prime rate. The minimum rate that can be charged is 4%.

LOAN PROCESS

CONSULTATION

Contact Emily Hathcock with BRADD to schedule a consultation for your loan request. BRADD staff will assist with your application preparation, and guide you through the entire process.

APPLICATION

Applications can be viewed online at BRADD.org/rlf. Once an application is submitted it will be reviewed by staff to determine the need for additional information and prepare a loan analysis for the RLF committee. The RLF committee will then review the request and make a recommendation on funding to the BRADD Executive Council.

REVIEW/APPROVAL

The BRADD Executive Council, which generally meets on the fourth Monday of each month, will make the final approval decision. RLF loans will not be closed and moneys will not be disbursed until the project is complete. A bridge loan will be required in most cases.