

BRADD's Revolving Loan Fund

HELPING BUSINESSES GO FROM PRE-BANKABLE TO BANKABLE



BRADD's Mission

To preserve and advance the quality of life and economic well-being for the citizens of the BRADD through regional collaboration.

About BRADD

Governed by a Board of Directors comprised of elected officials from counties and cities within the District, and non-elected citizen members representing a cross-section of the region's social and economic institutions.

BRADD has an average of 45 board members. Each of the 10 counties is represented by the county judge executive, the mayors of the first three classes, plus mayors of the county seat, and a citizen member chosen by the elected members.

The board includes special advisors representing diverse parts of the region and the chairs of the functional councils.

BRADD's Councils/Committees

- Regional Transportation Council
- Council on Aging
- Water Management Council
- Regional Hazard Mitigation Council
- Biosphere Reserve Advisory Council
- Barren River Municipal Clerks Association
- The Personal Care Attendant Program (PCAP) Advisory Committee
- The Revolving Loan Fund Committee
- Barren River Local Officials Organization (BRLOO)

Area Development Districts

What is an ADD?

- Statewide network of multi-county planning & development organizations
- Serve as forums, clearinghouses, technical centers and conveners for the region
- Provide continuity to projects during the transition of local elected officials
- Work with all program areas within the Commonwealth



- | | |
|----------------------|-----------------------|
| 1. Purchase | 8. Buffalo Trace |
| 2. Pennyriple | 9. Gateway |
| 3. Green River | 10. FIVCo |
| 4. Barren River | 11. Big Sandy |
| 5. Lincoln Trail | 12. Kentucky River |
| 6. KIPDA | 13. Cumberland Valley |
| 7. Northern Kentucky | 14. Lake Cumberland |
| | 15. Bluegrass |

BRADD's Departments

A one-stop-shop for Community
Development and Quality of Life
Resources

AGING & INDEPENDENT LIVING SERVICES

The BRADD/AAAIL holds the responsibility of developing and administering a wide variety of

in-home and community based services. These serve to help older and disabled individuals to maintain their dignity and quality of life, while living safely in their homes and communities.

COMMUNITY & ECONOMIC DEVELOPMENT

The purpose of the Planning & Development Department is to act as a type of concierge for local elected leaders, community stakeholders, business owners, entrepreneurs, and economic developers who are looking to enhance the quality of life for citizens, attract new businesses, or retain/expand existing businesses within the 10-county region.

FINANCE

The Finance Department holds the responsibility of developing and monitoring annual budgets, internal controls, and various required reports. The department also compiles all data for the annual audit, conducts day-to-day financial transactions, and maintains all fiscal and personnel records.



Thoughts to Ponder

I'm convinced that
about half of what
separates the successful
entrepreneurs from the
non-successful ones is
pure perseverance.

STEVE JOBS



The Revolving Loan Fund

A TOOL FOR THE PRE-BANKABLE

The Barren River Revolving Loan Fund (RLF) serves the 10-county BRADD region and has the goal of creating and maintaining a diversified, sustainable economy. This is done by providing financial resources and assistance to start-up and expansion projects in order to create jobs and attract private investment.



CREDIT REPORT

Your Credit Score

205

Poor



Average

Good

ACCOUNT NAME

XXXX XXXXXXXXXX

CREDIT


Key RLF Requirements

- RLF Applicants must be unable to receive traditional funding for their full request.
- Projects must create or sustain jobs. Preference given to job creation.

We are not competition.

BRADD'S FINANCING POLICY

The Barren River Area Development District's RLF program is not to compete with any existing private or public lender; it will be used when conventional sources cannot extend full financing to an applicant because of the risk involved, or when the cost and terms of credit are such that a firm will be prevented from starting, continuing, or expanding. The RLF will be used to fill gaps in the existing financial marketplace, leveraging other funds in order to promote economic growth and development.



Since 1992, BRADD's RLF has created and maintained over

2,400
JOBS

Since our funds were initially capitalized through the Economic Development Administration, the Barren River Area Development District's Revolving Loan Fund has a primary goal of job creation and retention.

Limits

Minimum loan amount available is \$10,000. Maximum loan amount is \$100,000.

Terms

Generally, loans are repaid in equal monthly installments, including interest and principal. Loans, except for working capital, (and including extensions or renewals) may be made for a period of no more than twenty (20) years. However, average term is 5-10 years.



Rates

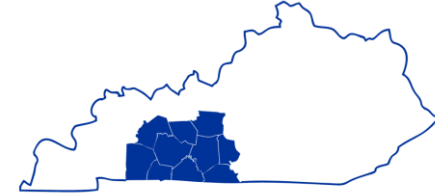
- Rates are set at the date of closing.
- Interest rates shall be fixed and charged only on the unpaid balance of the principal and compounded monthly.
- A participating lender may set the rate on the portion of the loan advanced from its own funds.
- Generally not more than 4% below prime.
- Minimum rate that can be charged is 4%.

Application Process



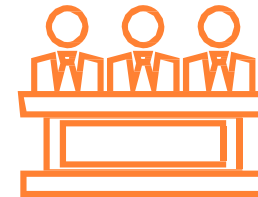
1) Seek traditional funding

BARREN RIVER



AREA DEVELOPMENT DISTRICT

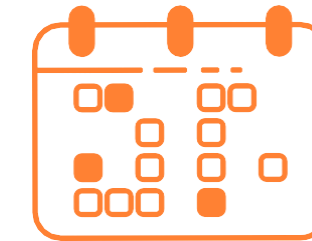
2) Contact BRADD to begin Application



3) BRADD RLF Committee Reviews Application



4) BRADD Board of Directors Reviews Application



5) Loan Closing Scheduled

Eligible Activities

BRADD's RLF can be used for the following:

- Acquisition of land and/or site preparation
- Building acquisition, demolition, and/or rehabilitation
- Construction of a building for immediate industrial or commercial use
- Leasehold improvements with a minimum useful life of 15 years
- Purchase of machinery, equipment, and/or fixtures
- Interim or bridge loans when such financing is otherwise unavailable
- Working capital based on receivables financing
- Other activities that will promote commercial or industrial enterprise development



Ineligible Activities

1. Acquire an equity position in a private business
2. Subsidize interest payments on an existing RLF Loan
3. Provide for borrowers' required equity contributions under other federal agencies' loan programs
4. Enable borrowers to acquire an interest in a business either through the purchase of stock or through the acquisition of assets
5. Investment in interest-bearing accounts, CDs, or any investment unrelated to the RLF
6. Refinance existing debt

Loan Lifecycles



PHASE ONE - APPLICATION

Interested parties contact BRADD and begin completing the application paperwork. Applications are typically done in conjunction with a participating traditional lender and include funds requested from that lender and funds being requested from BRADD.

PHASE TWO - CLOSING

BRADD typically takes a subordinate role in the closing process, and follows the lead of the traditional lender participating in the project.

PHASE THREE - MONITORING

After closing, BRADD staff work with the loanee and monitor the project's progress. This includes regular site visits

Meet Us

Our team represents the highest community and economic development standards.



ERIC SEXTON
Executive Director



EMILY HATHCOCK
Associate Director of
Planning &
Development



AMY CARROLL
Associate Director of
Finance

Social Media a Links

Twitter

twitter.com/BarrenRiverADD

Facebook

facebook.com/BRADDbg

Instagram

instagram.com/BarrenRiverADD

Reach Us

For questions or more info

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