



Revolving Loan Fund

Job Criteria:

- One job must be created or retained for every \$65,000.00 borrowed from SPAG-RLF.
- All SPAG-RLF loans must pay a 1 point (1%) loan origination fee at the time the loan closes. In addition, the borrower is responsible for paying all attorney's fees and filing fees associated with the loan.

Eligible Use of Funds

- Working Capital
 - Consolidation of Accounts Payable
 - Machinery/Equipment
 - Building/Land
- *New construction may trigger Davis-Bacon*

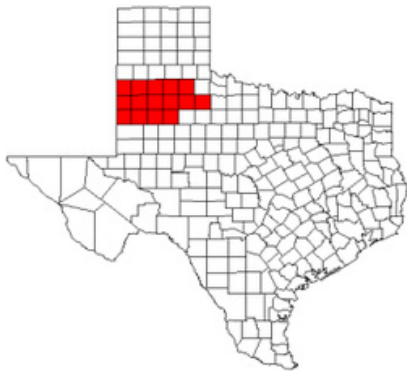
Terms and Interest Rate

- Terms tied to useful life of assets
- Rates determined by RLF Board, as low as 4%
- Fixed interest for the life of the loan
- No pre-payment penalty

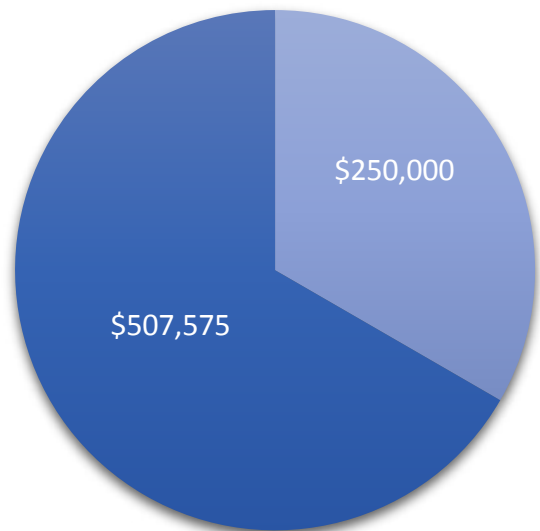
Notes

- Existing debt cannot be refinanced
- RLF funds cannot be used for new construction
- Size of loan may not exceed \$250,000

*Counties in which loans can be made: Bailey, Cochran, Crosby, Dickens, Floyd, Garza, Hale, Hockley, King, Lamb, Lynn, Lubbock, Motley, Terry, and Yoakum



SPAG RLF Sample Financing Structure



1/3 SPAG-RLF Loan

2/3 Match Funds (private lender, equity, other)

*Assuming maximum amount borrowed



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How it Works:

The SPAG Revolving Loan Fund, or RLF, is a program initially funded through the U.S. Department of Commerce, Economic Development Administration. SPAG's RLF is only available for the 15-county SPAG region, with a maximum loan amount of \$250,000. Rates are determined by the SPAG-RLF loan committee and can be as low as 4% fixed, with borrowers paying a 1% loan origination fee in addition to the filing and closing fees.

RLF Projects You May Know!



Frenship Vet Clinic

They count on you to care for them...you can count on us!



McPherson

