



# Coastal Area District Development Authority's Loan Program Reference Guide

Program	Maximum Amount	Participation or Guaranty	Use of Proceeds	Maturity	Maximum Interest Rates**	Guaranty Fees	Who Qualifies	Benefits
<b>EDA Revolving Loan Fund (RLF)</b>	\$350,000 (up to \$500,000 may be considered on a case-by-case basis)	Up to 50% participation	<b>Term Loan or line of credit:</b> Land & improvements, FFE, inventory, machinery, and/or working capital	Based on useful life of assets	CADDA- interest rate equal to or less than the bank's interest rate, fixed or floating not to exceed P+3.0%	N/A	For-profit business in CADDA's RLF area and create/retain one permanent job per \$20,000 loaned by CADDA	Reduces lender's credit risk, reasonable interest rates, longer terms, low down payment, no prepayment penalty
<b>SBA 504 Loan</b>	Maximum amount ranges from \$5 million to \$5.5 million, depending on type of business or project	<b>Project costs financed as follows:</b>  Lender: 50% (non-guaranteed)  SBA: up to 40%  Cash/Equity: 10-20%	<b>Long-term, fixed asset loan:</b> Land & building Construction Renovation Machinery Equipment  <b>Collateral Position:</b>  Lender: 1st lien  SBA: 2nd lien Serviced by CADDA	<b>Lender Loan:</b> Unguaranteed financing may have a shorter term. May be fixed or adjustable interest rate  <b>SBA Loan:</b> 10, 20, 25-year term fixed interest rate	Fixed rate on SBA 504 loan established when the debenture is sold  Declining pre-payment penalty for 1/2 of term	<b>One-time fee built into debenture:</b>  SBA guaranty fee of 0.50%  SBA funding/underwriting fee of 0.625%  CADDA fees of 1.5%  <b>Ongoing servicing fees:</b> Built into the interest rate of SBA debenture	For-profit businesses not exceeding \$15 million in tangible net worth and average net income not exceeding \$5 million  Owner Occupied: 51% for existing building 60% for new construction	Low down payment  Improved cash flow  Professional fees may be financed  SBA/CADDA Portion: Long-term fixed rate Full amortization No balloons
<b>SBA 7(a) Loan*</b>	\$5 million	85% guaranty for loans \$150,000 or less;  75% guaranty for loans \$150,001 up to \$3.75 million (maximum guaranty)	<b>Term Loan:</b>  Expansion/renovation New construction Land and building FFE Lease-hold improvements Working capital Refinance debt Inventory Business startup	Working capital up to 10 years  FFE and inventory up to 5-10 years (not to exceed useful life of asset)  Real estate up to 25 years	<b>Loans less than 7 years:</b> \$0-\$25,000 P+4.25% \$25,001-\$50K P+3.25% Over \$50,000 P+2.25%  <b>Loans 7 years or longer:</b> \$0-\$25,000 P+4.75% \$25,001-\$50K P+3.75% Over \$50,000 P+2.75%	SBA guaranty fee on guaranteed portion  up to \$150,000=2%  \$150,001-\$700,000=3%  \$700,001-\$1,000,000=3.5% plus 3.75% on guaranty portion over \$1,000,000  12 months or less .25%  Ongoing Fee of 0.546%	For-profit business meeting SBA size standards and SBA eligibility for business type  Prepayment penalty for loans with maturities of 15 years or more if prepaid during first 3 years. (5% year-1, 3% year-2, 1% year-3)	75-85% guaranteed  Long-term financing  Improved cash flow  Low down payment  No balloons  No prepayment penalty (under 15 years)
<b>Community Advantage</b>	\$250,000	Same as 7(a)	Same as 7(a)	Same as 7(a)	Same as 7(a) (up to P+6%)	Same as 7(a)	Same as 7(a)	Serving underserved market
<b>USDA IRP Loan</b>	\$250,000	Up to 50% participation	Same as RLF	Same as RLF	Same as RLF	N/A	For-profit business in CADDA's IRP area and create/retain one permanent job per \$20,000 loaned by CADDA	Reduces lender's credit risk, reasonable interest rates, longer terms, low down payment, no prepayment penalty

\* Veteran's Advantage: Same as 7(a). Business must be at least 51% veteran owned or owned by spouse of veteran.

\*\* Prime (P) based on WSJ Prime

Program	Maximum Amount	Percent of Guaranty	Use of Proceeds	Maturity	Maximum Interest Rates	Guaranty Fees	Who Qualifies	Benefits
<b>SBA 7(a) SMALL LOAN</b>	\$350,000	Same as 7(a)	Same as 7(a)	Same as 7(a)	Same as 7(a)	Same as 7(a)	Same as 7(a)	Same as 7(a)
<b>CAPLine</b> 1. Working Capital 2. Contract 3. Seasonal 4. Builders	\$5 million	Same as 7(a)	Finance seasonal and/or working capital needs; cost to perform; construction costs; advances against existing inventory and receivables; consolidation of short-term debts	Up to 10 years, except Builder's CAPLine, which is 5 years	Same as 7(a)	Same as 7(a)	Same as 7(a), plus all lenders must execute Form 750 & 750B (short-term loans)	1. Working Capital: revolving line of credit 2. Contract: can finance all costs (excluding profit) 3. Seasonal working capital needs 4. Builder: finances direct cost with building a commercial or residential structure

CADD Service Area		
EDA RLF Counties	SBA 504, 7(a) & Community Advantage	USDA Rural Development IRP Counties
<ul style="list-style-type: none"> <li>Bryan</li> <li>Bulloch</li> <li>Camden</li> <li>Chatham</li> <li>Effingham</li> <li>Glynn</li> <li>Liberty</li> <li>Long</li> <li>McIntosh</li> </ul>	<p><b>Georgia:</b> All</p> <p><b>Florida:</b></p> <ul style="list-style-type: none"> <li>Clay</li> <li>Duval</li> <li>Nassau</li> <li>St. Johns</li> </ul> <p><b>South Carolina:</b></p> <ul style="list-style-type: none"> <li>Beaufort</li> <li>Hampton</li> <li>Jasper</li> </ul>	<ul style="list-style-type: none"> <li>Appling</li> <li>Bacon</li> <li>Brantley</li> <li>Bryan</li> <li>Bulloch</li> <li>Camden</li> <li>Candler</li> <li>Charlton</li> <li>Effingham</li> <li>Emanuel</li> <li>Evans</li> <li>Glynn</li> <li>Liberty (excluding City of Hinesville)</li> <li>Long</li> <li>McIntosh</li> <li>Pierce</li> <li>Tattnall</li> <li>Ware</li> <li>Wayne</li> <li>Beaufort, SC</li> </ul>

**Brunswick Office**

501 Gloucester St., Suite 201  
Brunswick, GA 31520

**Phone:** (912) 261-2500

**Savannah Office**

1 Bull Street, Suite 301  
Savannah, GA 31401

**Phone:** (912) 236-9566

[www.cadda-sba.org](http://www.cadda-sba.org)

All funding is through Equal Opportunity Loan Programs