

AMPAC



HEALTHY FOOD ENTERPRISE LOAN PROGRAM (AHFELP)

Funding for Businesses Providing Fresh Food to Los Angeles County Communities

Eligible Business: Producers, processors, distributors or retailers of food inventory with a high percentage of perishable or healthy food, including community markets, meat or fish stores; corner discount stores, take-out restaurants, street vendors, mobile markets, farmers, value-add processors, produce distributors, food vending machines, etc. Traditional restaurants are not likely targets for the program.

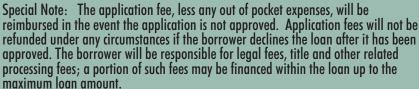
Eligible Uses:

Loan Range: \$1,000 - \$50,000

Interest Rate Rates tied to WSJ prime up to six points; minimum 6.5%. Rates will be fixed

for the term of the loan Term: One year to five years

Application Fee: \$100 application fee and \$25 credit check (per guarantor)



SPECIAL CONSIDERATION — Businesses that serve pre-school age children from 0-5 years of age will receive special consideration. Businesses must demonstrate service opportunities for children ages 0-5.

TECHNICAL ASSISTANCE — All borrowers participating in the program will receive technical assistance from experience providers and must sign a Memorandum of Understanding to take advantage of technical assistance to support their long term success.

LOAN PARAMETERS The AHFELP may be used for:

Working capital for inventory and receivable financing, hiring and training new workers and marketing; down payment for larger loan proceeds, business and equipment acquisition, debt refinance, facility improvements, and other business costs that assist the business to implement healthy food options.

Note: Loans for businesses that demonstrate the minimum debt coverage ratio of 1.0x may

be required to show a secondary source of repayment. A qualified co-signer may be used, but also must be a augrantor on the loan.

REQUIREMENTS Eligible businesses must:

- Have been in business for six months and be profitable; projections must reflect profitability
- Possess a reliable credit history
- Have not filed bankruptcy or foreclosure in the past 12 months
- Be current on all payments within the last 12 months
- Exhibit a steady cash flow with the ability to support the monthly payment (or projections that demonstrate repayment ability)
- Demonstrate minimum 1.0 debt coverage ratio
- Collateral if available; loans will NOT be decline if there is no collateral if positive and strong cash flow is demonstrated.



