

CHEFA Revolving Loan Fund Program

AMENDED Annual Funding Cycle Notice: 2020A

Summary: Connecticut Health and Educational Facilities Authority (“CHEFA”) is issuing this Amended Annual Funding Cycle Notice (the “Notice”) to announce the availability of loans, as described below, for current CHEFA clients, through the CHEFA Revolving Loan Fund Program (“Program”). The Program serves as a source of financial assistance to better enable CHEFA clients to increase the commerce, welfare and prosperity and the improvement of the health and living conditions of the people of Connecticut. All loans made under the Program and this Notice are subject to funding availability and CHEFA’s discretion.

Available Funding Amount: \$800,000 to fund loans under the Program and this Notice.

Eligible Applicants: Existing CHEFA clients, including EasyLoan clients, who meet the following requirements:

- i. Is a CHEFA borrower or a member of an Obligated Group that has less than \$50,000,000 in CHEFA issued debt outstanding;
- ii. Is not a Child Care Facility Provider with outstanding loans financed with CHEFA issued State Supported Child Care Revenue Bonds; and
- iii. Is substantially in compliance with all its the CHEFA bond issuance documents, as determined by CHEFA in its sole discretion, as of their last fiscal year ending prior to the submission of a Loan Application.

Eligible Use: Working capital expenses. Such expenses may include general operating expenses, program expenses, non-capital equipment and supply purchases including PPE.

Loan Amount: The Maximum Loan Amount is \$100,000. The Minimum Loan Amount is \$5,000.

Loan Term: Up to Thirty-six (36) months.

Interest Rate: 1.5% fixed rate for the Loan Term.

Repayment:

- i. Interest Only Payment: Due on the first day of the calendar quarter following the loan closing date;
- ii. Principal and Interest Payments: Due quarterly, with first payment due the first day of the calendar quarter following the due date for the Interest Only Payment;
- iii. Prepayment: Prepayments may be made in whole or part, without penalty on any date a payment is due.

Underwriting Criteria: None

Loan Application: The Loan application and related documents can be found on CHEFA’s website at www.chefa.com. Applications must be emailed to Dan Kurowski at dkurowski@cheffa.com.

Application Acceptance Window: Loan Applications will be accepted through May 1, 2021.

Evaluation Criteria: Loan Applications that are received during the Application Acceptance Window will be awarded on a first come, first serve basis. If at any point the aggregate amount of requested loan

amounts for received Loan Applications exceeds the remaining Available Funding Amount, then Loan Applications will be prioritized based on CHEFA's determination of the financial need of the Applicants.

Review and Approval of Loan Application:

- i. **Application Review:** CHEFA will review each Loan Application to determine whether it is complete, and whether the Applicant meets the eligibility requirements described in the Notice. CHEFA reserves the right to deem incomplete Loan Applications ineligible.
- ii. **Funding Selection:** CHEFA will evaluate the Loan Application and make its funding approval based on the Evaluation Criteria identified above.
- iii. **Approval:** For each approved Loan, CHEFA will deliver to the approved Applicant, a Notice of Approval and necessary Loan Documents to be signed by the Borrower. Upon return of the executed Loan Documents, CHEFA will disburse the Loan.

CHEFA reserves the right to modify this Notice or the Program at any time.

For More Information:

For questions email: Michael F. Morris, Managing Director, at mmorris@cheffa.com or Dan Kurowski, CHEFA CDC Program Manager, at dkurowski@cheffa.com.