

**Pennsylvania Economic Development Finance Authority (PEDFA)
Conventional Financing Component**

Tax-exempt and taxable bonds, both in pooled transactions and stand-alone transactions, to be used to finance land, building, equipment, working capital and refinancing.

Eligibility: All types of businesses needing access to low-cost capital.

Uses: Land and building acquisition; Building renovation and new construction; Machinery and equipment acquisition and installation; designated infrastructure; Refinancing; Working capital.

Amounts: Loans no less than \$400,000; Up to 100% of project costs.

Terms: Since 1990, rates have averaged 61% of prime interest rate; Weekly variable interest rate tied to market for taxable bonds; Term is based upon negotiated letter of credit; Borrower generally must secure letter of credit from bank.

PEDFA and *TCDC* charge a fee based on the PEDFA portion of the total project cost with \$500 due at the Public Meeting to *TCDC* and \$500 to the Commonwealth with the submission of the application to be credited against the issuance fee when project closes.