



Rhode Island  
Economic Development Corporation

Building the 21st Century Innovation Economy

# Financing Programs

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Program	Rhode Island Industrial Facilities Corporation (RIIFC) TAX EXEMPT Bonds	Rhode Island Industrial Facilities Corporation (RIIFC) TAXABLE Bonds	Rhode Island Industrial/Recreational Building Authority Bond/Mortgage Insurance	Small Business Loan Fund
<b>Eligible Applicants:</b>	Manufacturing Projects	Manufacturing and selected commercial facilities, including travel-tourist facilities	Manufacturing, processing, office, wholesale, retail and travel-tourist facilities	Existing manufacturing, processing and selected services
<b>Dollar Limit Per Project:</b>	Maximum limit prescribed by IRS. Normally to \$20 million	Maximum limit established by bond purchaser or credit enhancer	Maximum: \$5 million Minimum: \$100,000	Maximum: \$250,000
<b>Maximum Limit, Percent of project cost:</b>	Up to 100%	Up to \$100%	Real Estate: 90% Machinery & Equipment: 80% Tourist-Travel: 75%	Program funds should average 25% of total project cost.
<b>Approved Use of Funds:</b>	To finance fixed assets for a manufacturing project a) Land b) Building c) New machinery & equipment d) Certain eligible "soft" costs	To finance fixed assets a) Land b) Building c) Machinery & equipment d) Related "soft" costs	New building acquisition or, additions/rehabilitation of existing buildings. New or used machinery & equipment.	Acquisition and improvements of land, buildings and equipment. New construction. Working capital.
<b>Interest Rates:</b>	Tax exempt, floating or fixed rate determined by market	Taxable rate, normally floating, dependent on lender	Bond issues – fixed or floating Mortgages – floating	Fixed: based on risk (prime + x)
<b>Term of Repayment:</b>	Dependent on bond purchaser, Normal Terms: 25 years for real estate 20 years machinery & equipment	Established by lender. Normal Terms: 25 years on real estate 20 years machinery & equipment	Normal terms for real estate: Maximum 25 years Machinery & Equipment: Maximum 20 years	Maximum term: Real Estate: 10 years Machinery & Equipment: 10 years Working capital: 5 years
<b>Form of Financing:</b>	RIIFC issues tax-exempt revenue bonds without guarantee or insurance for applicant. Building materials purchased for projects may be eligible for exemption from RI sales tax. Ap Fee: \$1,000 Commitment Fee: None Administrative Fee: 1/8 of 1% annually on outstanding principal balance.	RIIFC issues taxable revenue bonds without guarantee or insurance for applicant. Building materials purchased for projects may be eligible for exemption from RI sales tax. Ap Fee: \$1,000 Commitment Fee: 1% Administrative Fee: 1/2 of 1% present valued upfront.	Debt insurance on tax-free bonds, taxable bonds and conventional mortgages. Ap Fee: \$250 Commitment Fee: 1% Insurance Premiums: 1-3%, on average annual outstanding principal balance.	Direct loan Fully amortized Security and Personal guaranty generally required. Ap Fee: \$250 Commitment Fee: Up to 1%