



LOAN PARTICIPATIONS



Contact:

Chris Anderson

Deputy Director – Commercial Finance

Telephone : 907.771.3030

canderson@aidea.org

Alaska Industrial Development
and Export Authority

813 West Northern Lights Boulevard
Anchorage, Alaska 99503

Telephone : 907.771.3000

Toll Free in Alaska : 888.300.8534

Fax : 907.771.3044

aidea.org

WE ARE THE STATE OF ALASKA'S
DEVELOPMENT FINANCE AUTHORITY



Alaska Industrial Development
and Export Authority



Investing in Alaskans **aidea.org**

Financing Alaska's Future

This program provides permanent financing, both taxable and tax-exempt, to borrowers through a qualified originator for the purpose of acquiring or refinancing commercial real estate or equipment. The Loan Participation Program provides the benefit of long-term fixed or variable rate financing on the portion of the loan purchased by AIDEA. AIDEA does not originate loans, but is able to purchase up to 90% of a commercial loan to a maximum of \$20 million. Originated by a financial institution eligible to participate in AIDEA's credit programs, the term of the AIDEA portion of the loan can exceed the bank's term, thereby lowering scheduled payments. The project being financed must be in Alaska.

Loan Participation Program Highlights

AIDEA provides fully amortizing, long term financing. Up to 15 years for personal property or 25 years for real property; the maximum loan-to-value is 75 percent.

- AIDEA offers either a fixed or variable interest rate.
- The term of the AIDEA portion of the loan can exceed the bank's term, thereby lowering the scheduled payments.
- AIDEA provides a secondary long-term market for eligible financial institutions.
- The originating financial institution retains a portion of the loan and also services the entire loan (i.e., payments are made to the bank, not to AIDEA).

How to Apply

The first step is to contact one of AIDEA's eligible financial institutions.

- The financial institution, after its approval of the loan, applies to AIDEA for participation in the loan.
- AIDEA loan officers underwrite the financial institution's loan package.
- The loan is submitted for approval to the AIDEA Credit Committee. If the AIDEA participation equals or exceeds \$3 million, the loan must be approved by the AIDEA Board of Directors.

Cost

A \$1,000 non-refundable application fee is due at the time the financial institution submits the loan package for AIDEA consideration. The application fee is credited toward the one percent commitment fee if the borrower accepts a written commitment issued by AIDEA.

