HEALTHY FOOD FINANCING INITIATIVE PROJECT REQUIREMENTS
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Project Location
Arkansas, Louisiana, Mississippi or greater Memphis, Tennessee

Special consideration given to projects in areas designated as “food deserts” by the U.S. Department of Agriculture or as distressed areas.

Food Deserts are distressed geographic areas where either a substantial number or share of residents has low access to a supermarket or large grocery store.

Visit our website, hope-ec.org/hffi, to navigate to the USDA Food Access Research Atlas to find out if your area is eligible.

Financing Uses

- Development and Predevelopment
- Real Estate and Facilities
- Acquisition, Repair, Expansion
- Construction and Rehabilitation
- Renovation/Leasehold Improvements
- Permanent Financing
- Business Loans
- Equipment
- Staff training
- Security
- Inventory and Working Capital

All applicants should refer to the full Program Guidelines and Eligibility Application, available at www.hope-ec.org/hffi. These terms represent general guidelines. Exceptions may be considered on a case-by-case basis.

Financial Eligibility Requirements

- Project meets general program eligibility criteria
- Beacon credit score > 600 for all principals and guarantors
- Projected debt coverage ratio of 1.2x, defined as EBITDA / (interest payments + current maturities) *
- Personal guarantee, where applicable
- No prior history of bankruptcy at any time with the business or recent bankruptcy (within the last seven years) for the principals
- With security for the loan calculated at the lower of cost or market, LTV ratios 80% or less *
- Minimum combined grocery store management experience of the principals is to be 5 years, with a preference for 8 or more years

*exceptions available on a case-by-case basis

Loan Underwriting Requirements

- A properly completed business loan application (only required following eligibility determination)
- Current financial statements for the borrower and all co-borrowers and guarantors

HOPE will conduct a credit analysis and create financial statement spread

Loan Rates and Terms

- Varies by product and term
- Length of the loan term will depend on the financing needs of the borrower (projected cash flow and activities/items being financed), type of collateral and purpose of the financing

For more information:
www.hope-ec.org/hffi | hffi@hope-ec.org