

Exhibit A

Spec Building Revolving Loan Program

The program will provide interest-free loans to assist qualified developers with the construction of speculative buildings enlarging the tax base and for industrial or commercial use located within the city. Funds are designated for hard construction costs.

Program funding utilizes a total of \$7.5 million. (\$5 million from Economic Development Loan Fund + \$2.5 million from pending repayment of spec building loan).

Loan to be repaid in full upon: (a) occupation by a for-profit tenant(s) with an emphasis on diversifying the economy and with a commitment to create jobs and remain in operation for a defined time period, and (b) subsequent selling or refinancing of the facility, but no later than 5 years from the date of approval. If such does not occur within 5 years, the loan must be repaid regardless.

Repaid loans (program income) are returned to loan fund for future loans.

- Maximum loan amount based on square footage of spec building (minimum size 100,000 square feet):
 - \$1.5 million: 100,000 – 150,000 sf
 - \$2.5 million: 150,000 – 300,000 sf
 - \$3.5 million: >300,000 sf
- Minimum initial investment for building construction: \$10 million. City loan amount not to exceed 10% of total construction cost.
- Developer to utilize local and M/WBE contractors and subcontractors wherever possible.
- City in first lien position, or second if construction loan from 3rd party financial institution required.
- As part of request package, the developer will provide:
 - Details of experience and outcomes with similar projects
 - Details on the building to be constructed
 - Details of capital stack (ex. mortgage, equity, etc.)
 - Construction timeline
 - Use of City funds
- To encourage shovel ready sites/projects, building must be completed within 24 months from loan approval. Approval may terminate if start date not met.
- Partner with Greater Winston-Salem, Inc. to market the building to non-local companies in target industries and to existing industry companies seeking to create significant net new jobs and investment in Winston-Salem.