



PRESS RELEASE

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AIDEA Board Approves Loan for Valdez Business *Financing Provided for Hotel Project*

(Anchorage) – The Alaska Industrial Development and Export Authority (AIDEA) Board on Thursday approved a loan participation for a project located in Valdez, Alaska.

The loan, to Totem Inn, Inc., is for \$8,200,000 (90%) of a \$9,150,000 loan brought to AIDEA by First National Bank Alaska (FNBA). FNBA originated the loan and is participating with \$950,000. The purpose of this loan is to pay off FNBA construction financing as well as closing costs for Totem Inn & Suites, located at 144 E. Egan Avenue in Valdez.

This AIDEA loan participation produces economic benefit to the borrower by providing a 25 year term at a fixed rate of 3.85 %. The project created 75 construction jobs, 14 new positions, and retained seven existing jobs.

AIDEA's Loan Participation Program provides permanent financing, both taxable and tax-exempt, to borrowers through a qualified originator for the purpose of developing, acquiring or enhancing Alaska business enterprises, or for a qualified energy development project. 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 \$25 million, that is sponsored and originated by an eligible financial institution.

The Alaska Industrial Development and Export Authority is a public corporation of the state. AIDEA's purpose is to promote, develop and advance the general prosperity and economic welfare of the people of Alaska.

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