

Community-Builder Loans: Targeted Reinvestment

As a nontraditional lender, Midwest Minnesota Community Development Corporation (MMCDC) is experienced in assisting borrowers who may lack access to affordable capital or who are located in areas in need of revitalization. Providing financing to small businesses, nonprofits and local governments helps MMCDC to fulfill its mission to enhance community quality of life. This is evidenced by increased family incomes, improved business productivity, and provision of high-quality goods and services in state-of-the-art facilities, from schools to manufacturing space.

We often partner with Small Business Development Centers, Economic Development Authorities and other nonprofit and for-profit companies and investors, including banks, to help borrowers reach their business goals through innovative solutions.

How We Can Help

MMCDC provides loans for a variety of purposes, including:

- Real estate purchases
- Construction, renovation or expansion of a business
- Equipment, inventory and working capital



Financing with MMCDC can offer one or more of the following benefits:

- Lower debt-service ratio requirements
- Flexible repayment terms
- Reduced origination fees
- Below-market or fixed interest rates

As a result, borrowers may experience:

- Less cash required at loan closing
- Lower payments or overall costs
- More reliable cash flow

Eligibility

The project must be located in an area in need of reinvestment. Final determination of eligibility will be based upon address mapping, to be conducted by MMCDC.

Loan Details

Loans are available in amounts in excess of \$50,000. MMCDC can finance larger projects with the help of our affiliate bank and other lenders while still keeping one easy monthly payment.

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The **Term** of your loan depends upon the type of asset you are interested in financing. Terms are available for up to 30 years.

Interest Rates are based upon loan risk and may be variable or fixed.

The **Collateral** required varies, depending on the project structure. MMCDC typically requires a first secured position.

A **Personal Guarantee** may be required. This means that the primary business owner(s) will assume personal responsibility for repayment of the loan if the business/company is not able to repay the loan.

The following fees may be associated with Community-Building loans:

- Up to 1 percent origination fee
- Filing and recording fees
- Title fees
- Appraisal fees
- Attorney fees

Application Process

During the application process, MMCDC will take the following information into consideration:

- Management
- Creditworthiness
- Capital
- Collateral
- Capacity
- Market value
- Business history
- Financial projections

Financing Details

It typically takes 15–30 days from the time the loan application has been completed and approved to receive the funds to finance your business project.

For more information on our Community-Builder Loans and other business assistance, contact Nicole Kirchner at 218-844-7016 or visit www.mmcDC.com today!

MMCDC is an equal opportunity employer and provider.



Midwest Minnesota
Community Development Corporation
Blending Capital With Innovation For Successful Community Development

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