

Coös Economic Development Corporation-Revolving Loan Fund Guidelines 2024

Purpose

- The CEDC Revolving Loan Fund (RLF) is intended to provide gap and fixed asset financing, as well as permanent working capital, for start-up and existing businesses located in Coös County.

Eligibility

- Must have less than 200 employees and annual revenues not to exceed \$20.0M (most recent three year average)
- Business must be located within Coös County
- Business must demonstrate the capacity to repay the debt
- Business must show a creation or retention of jobs

Allowed Uses

- Purchase owner occupied commercial real estate
- Acquisition of Machinery & Equipment
- Working Capital
- All other uses will be considered

Prohibited Uses

- Loan Guarantees
- Payment of past due taxes

Funding Limits

- Maximum loan amount is \$250,000 (unless CDBG)

Interest Rates (Prime = Wall Street Journal or other published index)

- Existing businesses: Prime to Prime + 5.0%
- Start-up businesses: Prime + 1.0% to Prime +5.0%
- CDBG Funds: Prime +.5% to Prime +2.0%

Length of Term

- Initial term not to exceed 10 years for machinery, equipment, and working capital ·
- Initial term not to exceed 20 years on commercial real estate

Fees

- Application fee of up to \$150 (non-refundable)
- Origination fee of no more than 2% of the loan amount
- Closing costs to be paid by Borrower

Other

- Borrower is required to inject 10% equity (C&I) - 20% on commercial real estate ·
- Personal guarantees of all officers and owners of 20% or more interest will be required.