



Minnesota Community Capital Fund

bladc.org

ABOUT US | AREA ECONOMY | BUILDINGS/LAND | WORKFORCE | FINANCING | INFRASTRUCTURE | QUALITY OF LIFE

Minnesota Power (www.mnpower.com/econdev)

Loan Amount	Minimum \$50,000 and maximum \$2 million
Use of Funds	Fixed assets, building construction, leasehold improvements, building renovations, machinery and equipment, and working capital when secured by fixed assets
Term of Loan	Variable, primary factor being collateral
Rate of Interest	Adjustable and fixed, based on level of risk
% of Financing Available	Variable
Down Payment (Equity)	Flexible
Typical Structure	A financial institution must participate in the project financing
How Long Does it Take	2 to 4 weeks
Collateral	100% of MCCF loan amount on appraised value of assets, less all senior debt
Personal Guarantees	Yes for all owners with 20% or greater ownership in closely held business
Eligible Projects	Must be within Minnesota Power's retail or wholesale area of operations, for-profit business entity, non-profit entity, cooperative, or local unit of government
Ineligible Projects	Agricultural production, refinancing of existing debt, purchase of equity positions in business enterprises, speculative real estate developments, start up companies
Fees	1.75% loan origination fee and 0.5% loan underwriting fee, charged at closing