



Revolving Loan Funds

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

City of Brainerd

Loan Amount	\$75,000
Use of Funds	To create or retain permanent, private sector, full time jobs, provide capital for business development and expansion and leverage other private and public investment.
Term of Loan	The terms will match the useful life of eligible costs. Working capital – 3 years, max, Fixed assets 15 years, max.
Rate of Interest	Negotiated between City of Brainerd and the business borrower
% of Financing Available	50% of working capital, 33% of projects that do not include local bank financing, no more than 50% of total projects that includes local bank financing
Down Payment (Equity)	Minimum of 10% of total project cost
How Long Does it Take	2 to 4 weeks
Collateral	The City of Brainerd does not make unsecured loans
Personal Guarantees	Yes
Eligible Projects	Acquisition and/or improvement of land, buildings, plant and equipment; new construction or renovation of existing facilities; demolition and site preparation; machinery purchase; and working capital (inventory and accounts receivable).
Ineligible Projects	Professional fees.
Job Creation Criteria	Job creation is considered by the loan board when reviewing loan applications
Incentives	“Gap” financing
Fees	Loan origination fees and loan servicing fees, legal fees incurred by the City