



# MAIN STREET LOAN PROGRAM

# **MAIN STREET LOAN PROGRAM**

**Assist in the creation and/or  
stabilization of small businesses in  
North Dakota**

# **MAIN STREET LOAN PROGRAM**

**A Local Economic Development Entity Submits  
Application To Dakota CDC**

**May Be Used In Conjunction With Other Loan  
Programs, Grants or Other Financing.**

# MAIN STREET LOAN PROGRAM

## Eligibility:

- > **Business Must Be Located In North Dakota.**
- > **Principal Must be 18 Years of Age.**
- > **Can Be For-Profit, Non-Profit or Producer Cooperative**
- > **Must Be Legal**
- > **Must be Able to Meet All Obligations From Operations**
- > **Principals Net Worth Cannot Exceed \$200,000.**

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## **Ineligible Use of Loan Proceeds:**

- > Refinancing**
- > Production Agriculture Entities.**
- > Consumer and Marketing Cooperatives**
- > Speculative Businesses**
- > Must Have A Commercial Application**
- > Government Owned Entities**
- > Persons of Poor Character**
- > Charitable and Educational Institutions.**
- > Private Clubs**

# MAIN STREET LOAN PROGRAM

- **Use of Loan Proceeds**
  - **Working Capital**
  - **Equipment**
  - **Leasehold Improvements**

# **MAIN STREET LOAN PROGRAM**

- **Minimum Loan = \$1,000**
- **Maximum Loan = \$24,999**

**Main Street Loans are designed to be in participation with other financing.**

**The preferred structure would be at least 50% local economic development funding and 50% Main Street Program funding.**

# MAIN STREET LOAN PROGRAM

- **LOAN TERM**
  - **Working Capital**
    - Up to 18 Months
  - **Equipment**
    - Up to Three (3) Years
    - Maximum Term is Five (5) Years
- **COLLATERAL**
  - **Shared First Lien Position on Assets Acquired With Loan Proceeds.**

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- **Interest Rate is Fixed at Time of Approval**
  - **Maximum Interest Rate is two percent (2%) over NY Prime (at time of approval).**
- **One Time Loan Fee of Two Percent (2%).**

# MAIN STREET LOAN PROGRAM

- **Terms & Conditions**
  - **Meet with SBDC Representative Quarterly**
  - **Quarterly Financial Statements**
  - **Maintain Liability and Hazard Insurance**
  - **All Taxes Must Be Current**
  - **Maintain All Loan Terms & Conditions**

# MAIN STREET LOAN PROGRAM

**Contact:**

**Dakota CDC**

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**1-800-811-8997**

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