



Economic Development Authority Micro Loan Program

Investment Amount

Up to \$10,000

Eligibility Criteria

- Available to non-governmental owners of a commercial building located within the City Limits of Fairmont, Minnesota
- The building must be used at least 51% for commercial business
- Primary consideration will be given to projects maintaining the integrity of the building, secondary consideration will be given to projects improving the appearance

Use of Funds

- Signage
- Storefronts
- Code work
- Windows, Doors, Awnings
- Painting
- Sandblasting
- Thresholds/Entryways
- Minor Building Renovation
- Machinery and Equipment

Loan Terms

- Loans will be considered up to \$10,000; cannot exceed 50% of total project
- Interest rate is determined case by case, generally 3%.
- Loans can be amortized for 7 years
- It is desirable for loans to be fully secured; may be subordinate to the primary lender
- Personal guarantees equal to the amount of the loan are required
- Loan recipients will be charged a 1.5% origination fee

Required Application Attachments

- Receipt of Completed Loan Application
- Estimates of Work to be Completed
- Photograph of potential repairs

Payment

- Before loan closing, the building owner must submit:
 - Evidence of paid invoices
 - Report of Building Inspector indicating approval of repairs, if applicable
 - Photograph of completed repairs

Applications will be reviewed on a first come-first serve basis until that year's allocations are gone. Applications will be reviewed for eligibility and overall merit first by FEDA staff, in conjunction with a designated FEDA Board Loan Committee. Your application may be approved as is, approved with changes, or denied. Generally, it is expected to be between 45-60 days from the date of application delivery to loan closing.



**Economic Development Authority
Micro Loan Program**

Applicant Name: _____

Applicant Mailing Address: _____

Applicant Phone Number: _____ Cell: _____

Applicant E-Mail Address: _____

Building Address: _____

1. Describe Project in detail:

2. Describe the Timeline for the project:

3. Attach a photo of the building as it exists before completing the work.

4. Attach a copy of estimates/bids with application.

Reminder: Some of the work performed under this program may require a building permit. Before commencing work, please contact our Community Development Director if you have questions regarding permit requirements.

Applicant Signature: _____ Date: _____

For Office Use Only:

Approved: Yes - No Date: _____ Building Owner Notified: _____



**Economic Development Authority
Micro Loan Fund**

Information Release Authorization

I authorize the Fairmont Economic Development Authority to obtain background information needed in connection with my loan application such as:

- Credit report.
- Employment history, dates of employment, title, income, hours worked, stability, etc.
- Banking and savings accounts, deposits and balance verifications.
- All loan ratings, opening date, high credit, payment amount, loan balances, payment records, and pay off information.
- Any other information requested in connection with a determination of credit worthiness.

This information is for the use of this lender in connection with my/our loan application and the conduct of "Post Closing" Quality Control Audits as required by various government and quasi-government agencies.

A photocopy of this authorization, bearing the photocopied signatures of the undersigned, may be deemed to be the equivalent of the original and may be treated and used as a duplicate original.

Applicant Name and Address

Social Security Number:

Date of Birth:

Co-Applicant Name and Address

Social Security Number:

Date of Birth:

Applicant Signature

Co-Applicant Signature