



Bank of North Dakota 800-472-2166

Department of Commerce 701-328-5310

Certified Development Companies

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Programs	Beginning Entrepreneur Guarantee Program	Business Development Loan Program	Partnership in Assisting Community Expansion (PACE)	Flex PACE Program for Affordable Housing	Programs	North Dakota Development Fund & Revolving Loan Fund	Division of Community Service (DCS)	Regional Development Councils	Programs	IRP Financing*	Certified Development Companies
Borrower	A North Dakota resident who has a high school diploma or GED.	Any business.	PACE: Manufacturing, processing, data processing, communications, telecommunications. Flex PACE: Includes retail, service, tourism, essential services.	Developers of affordable multi-family housing units and childcare facilities located in ND.	Borrower	Any primary sector business in the state of ND. Typically primary sector businesses are manufacturers, food processors and export service companies.	The DCS administers the Community Development Block Grant Small Cities program for the State of ND.	The 8 Regional Planning Councils receive an annual allocation and make recommendations for projects to be funded in their region.	Borrower	Any legal entity including individuals, public and private organizations, government entities and agencies. Available statewide.	Dakota CDC 800-611-8997 4501 Coleman St. N. Ste 105 Bismarck, ND 58503
Funding Limit	BND may guarantee 75% - 85% of a loan, not to exceed \$200,000.	BND's share, maximum of \$1,000,000 per project.	BND's share, up to BND lending limit.	BND's share, up to BND lending limit.	Funding Limit	These funds can participate in up to 50% of a project. The initial maximum investment amount is \$300,000.	Retail Sector minimum loan amount is \$10,000 and maximum is \$300,000. For Primary Sector, the minimum amount is \$50,000 and the maximum is \$500,000.	Region 1 Tri-County Development 22 East Broadway, 2nd Floor Williston, ND 58802-0697 701-577-1358	Funding Limit	Loans are available up to \$250,000. Can make loans to qualified applicants for up to 75% of eligible project.	4133 30th Ave S, Ste 100 Fargo, ND 58104 1925 S. Broadway Ste 2 Minot, ND 58701
Participation Requirements	85% guaranty up to \$100K 80% guaranty - \$100,001 to \$150K 75% guaranty - \$150,001 to \$200K	Lead lender required - averages 30-40% of total loan.	Lead lender required - BND must participate in 50-80% of total loan.	Lead lender required - BND must participate in 50-80% of total loan.	Participation Requirements	Direct and participation loans and direct equity investments.	Commercial lending institution required. Must have one-to-one match.	Region 2 Souris Basin Planning Council 925 20th Ave Minot, ND 58701 701-839-6641	Participation Requirements	Only for businesses in cities with a population of less than 25,000.	Lake Agassiz CDC 701-235-7885 417 Main Ave Fargo, ND 58103
Use of Proceeds	Business start-up or expansion, including licensed childcare facilities.	Working capital, equipment and real property, or refinancing.	Term working capital, equipment and real property. Not for refinancing.	Real property, equipment, facility expansion and working capital.	Use of Proceeds	Working capital, equipment and real property. Cannot be for debt refinancing or for production agriculture.	Construction of buildings, acquisition of property, working capital, equipment, inventory, equity investments or grants for infrastructure development.	Region 3 North Central Planning Council Memorial Bldg. PO Box 651 Devils Lake, ND 58301 701-662-8131	Use of Proceeds	New and existing business, equipment purchase or lease and working capital.	Lewis and Clark CDC 701-667-7620 200 1st Avenue NW, Ste 100 Mandan, ND 58554
Interest Rate	Lender rate must be acceptable by BND.	Variable - prime less .50% or Fixed - comparable FHLB rate plus 2.25%. Lead lender's interest rate must be acceptable to BND.	5% below yield rate - and not less than 5% below Prime with floor of 1%.	5% below yield rate - and not less than 5% below Prime with floor of 1%.	Interest Rate	Negotiable, based on use of funds and financial risk of the project. Generally a fixed rate at below market rates.	Determined by the Regional Council/Loan Committees.	Region 4 Red River Regional Planning Council Chase Bldg., 516 Cooper Ave, #101 Grafton, ND 58237 701-352-3550	Interest Rate	Development company provides IRP loans at a fixed rate for the term of the loan. Rate is set at time of application and is generally between 4% and 8%.	
Term	The guaranty may not exceed 5 years.	Working capital: 1-5 years Equipment: 5-7 years Real estate: up to 20 years	Working capital: 1 - 5 years Equipment: 5 - 7 years Real estate: up to 20 years	Working capital: 1 - 5 years Equipment: 5 - 7 years Real estate: up to 20 years	Term	Varies depending on project and purpose.	Fixed assets up to 25 years. Equipment - 10 years Inventory - 5 years Working capital - 2 years Real estate, 12-15 years	Region 5 Lake Agassiz Regional Council 417 Main Avenue Fargo, ND 58103 701-239-5373	Term	Generally the term is less than 10 years.	
Collateral	Negotiable.	First security interest on acceptable business assets.	First security interest on acceptable business assets.	First security interest on acceptable business assets.	Equity Requirements	A minimum of 15% equity in the business.	10% minimum.	Region 6 South Central Regional Council 120 2nd Stree SE Jamestown, ND 58402 • 701-952-8060	Equity Requirements	10% to 25%, depending upon involvement of a commercial lender.	
Equity Requirements	No minimums - based on project and management.	No minimums - based on project and management.	Based on project and management.	Based on project and management.	Credit Criteria	The business must have a realistic financial commitment. A business plan is required with detailed sources and uses of funds.	The 8 Regional Planning Councils receive an annual allocation and make recommendations for projects to be funded in their regions.	Region 7 Lewis & Clark Regional Council 200 1st Ave NW Mandan, ND 58554 • 701-667-7620	Credit Criteria	Borrowers must be unable to obtain funds elsewhere at a reasonable rate.	
Credit Criteria	In compliance with the lead lender.	Based on borrower and project.	Based on borrower and project.	Based on borrower and project.	Average Processing Time	14-45 working days, depending on size of loan and the completeness of the application.	14-60 working days, depending on size of loan and completeness of the application.	Region 8 Roosevelt-Custer Council 200 Pulver Hall Dickinson, ND 58601 • 701-483-1241	Average Processing Time	10-45 working days depending on completeness of the application.	
Qualifications	A ND resident with a net worth less than \$300,000 or \$500,000 for childcare applicants.	A North Dakota business.	PACE: ND business which creates one job for every \$100,000 of loan proceeds. Flex PACE: No job requirement. Not available for refinancing.	No job creation required. Maximum of \$25,000 of BND buydown available per unit committed to affordable housing.	Qualifications	Must be "primary sector" business with funding ties to the creation of jobs: \$20,000 - per job urban \$30,000 - per job rural	The program is designed to assist primary sector and retail sector businesses.		Qualifications	51% of the owners or members of the organization must be citizens of the U.S. or individual admitted for residence.	
Costs and Fees	A guaranty fee of .5% per year or a one-time fee of 2.0% of the guaranteed portion.	Fees will be assessed on a loan-by-loan basis.	Minimum of \$250, otherwise assessed on a loan-by-loan basis.	Minimum of \$250, otherwise assessed on a loan-by-loan basis.	Costs and Fees	Fees are assessed on a loan-by-loan basis.	No fees.	Ag Products Utilization Commission (APUC)	Costs and Fees	Origination fee of negotiated loan amount, plus closing costs.	
Miscellaneous	May be used in conjunction with other BND loan programs. Personal Guarantees: Yes	Available for refinancing. Personal Guarantees: Yes	PACE: Maximum buydown - \$300,000 per loan per biennium. Flex PACE: Maximum buydown per loan per biennium is \$100,000. Communities' buydown portion may be cash or "in-kind". Personal Guarantees: Yes	Maximum buydown: Affordable housing - \$500,000 Childcare - \$300,000 Communities' buydown may be cash or "in-kind". Community will qualify and annually verify status of affordable units. Personal Guarantees: Yes	Miscellaneous	Primary Sector is defined as an individual, corporation, partnership or association which, through the employment of knowledge or labor, adds value to a product, process or service that results in the creation of new wealth.	The Community Development Loan Funds (CDLF) program is designed to provide "gap financing" for new or expanding businesses.	APUC's mission is creation of new wealth and jobs through the development and expanded use of ND agricultural products. Grants available to further this mission. 701-328-5350 or www.growingnd.com/APUC.	Miscellaneous	*For alternative borrowing option see USDA RD listing on other side	





U.S. Small Business Administration 701-239-5131

USDA Rural Development 800-582-7584 ext. 2065

Programs	Micro Loan	504 Loan Program	7(a) Loan Guaranty	CAPLine	SBAExpress & SBA Veterans Advantage	International Trade	Export Working Capital Program	Export Express	Programs	Business & Industry Loan Guarantee (B&I)	Value-Added Agricultural Producer Grant (VAPG)	Rural Energy for America Program (REAP)	Rural Economic Development Loan and Grant (REDLG)	IRP Financing*
Details	Lake Agassiz Certified Development Co.	Dakota Certified Development Corp. Lake Agassiz Certified Development Co. Lewis & Clark Certified Development Co.		1. Working Capital 2. Contract 3. Seasonal 4. Builders	SBAExpress: Lender approves. Minimal SBA paperwork. SBA Veterans Advantage: 01/01/15 - 09/30/15				Borrower	Cooperative, corporation, partnership, or other legal entity, Indian tribe, public body, or an individual.	Agricultural producers entering into value-added activities.	Agricultural producers or rural small businesses.	RUS eligible entities. Typically Rural Electric Cooperatives (REC) and Rural Telephone Cooperatives (RTC).	Private nonprofit corporations, public agencies, Indian groups, and cooperatives
Funding Limit	\$50,000	504 CDC maximum amount ranges from \$5 million to \$5.5 million, depending on type of business.	\$5 million gross and a maximum guaranty of \$3.75 million. \$350,000	\$5 million	\$350,000	\$5 million	\$5 million	\$500,000	Funding Limit	No minimum loan size. Up to \$25 million loan amount. 80% guarantee: up to \$5 million. 70% guarantee: \$5-10 million. 60% guarantee: over \$10 million.	Maximum working capital grant is \$200,000. Maximum planning grant is \$75,000.	Renewable energy grants from \$2,500 to \$500,000. Energy efficiency grants from \$1,500 to \$250,000. Guaranteed loans from \$5,000 to \$25 million.	Maximum Amount: \$2,000,000 for RED Loan \$300,000 for RED Grant Subject to change annually.	Maximum loan amount is \$1,000,000.
Percent of Guaranty	Not applicable.	Project costs financed: CDC: up to 40% Lender: 50% Equity: 10% plus 5% if new business and/or 5% if special use property	85% guaranty for loans of \$150,000 or less; 75% guaranty for loans greater than \$150,000, up to \$3.75 million.	Same as 7(a).	50%	90% guaranty, up to \$4.5 million maximum guaranty. Up to \$4 million maximum guaranty for working capital.	90% guaranty, up to \$4.5 million maximum guaranty.	90% guaranty for loans \$350,000 or less; 75% guaranty for loans greater than \$350,000.	Participation Requirements	Generally negotiated between the lender and borrower.	Applicant must provide matching non-federal funds at least equal to the grant.	Requires 75% minimum applicant match for grant. 75% maximum project level for guaranteed loan.	Not applicable.	None required but is highly recommended.
Use of Proceeds	Purchase machinery & equipment, fixtures, leasehold improvements; working capital; etc. Cannot be used to repay existing debt.	Long-term, fixed-asset loans; Lender (nonguaranteed) financing secured by first lien on project assets. CDC loan provided from SBA 100% guaranteed debenture sold to investors at fixed rate and secured by 2nd lien.	Term Loan. Expansion/renovation; new construction, purchase land or buildings; purchase equipment, fixtures, leasehold improvements; working capital; refinance debt for compelling reasons; seasonal line of credit, inventory; starting a business.	Finance seasonal and/or short-term working capital needs; cost to perform; construction costs; advances against existing inventory and receivables; consolidation of short-term debts. May be revolving.	May be used for revolving lines of credit (up to 7 year maturity) or for a term loan, same as 7(a).	Term loan for permanent working capital, equipment, facilities, land and buildings and debt refinance related to international trade.	Short-term, working capital loans for exporters. May be transaction based or asset-based. Can also support standby letters of credit.	Same as SBAExpress plus standby letters of credit.	Use of Proceeds	Permanent working capital, real estate, equipment and limited refinancing. (Less than 50% of the loan for existing lender debt)	Feasibility study, business and marketing plans or working capital.	Purchase equipment, construction energy audits, feasibility studies, business plans and permit or professional service fees.	Business startup or expansion projects that create rural jobs. Grants may only establish a revolving loan fund.	Establish a revolving loan fund program.
Interest Rate	Negotiable with intermediary. Subject to either 7.75% or 8.5% above intermediary cost of funds.	Fixed rate on 504 Loan established when the debenture is sold. Declining prepayment penalty for 1/2 of term.	Loans less than 7 years: \$0 - \$25,000 Prime + 4.25% \$25,001 - \$50,000 P + 3.25% Over \$50,000 Prime + 2.25% Loans 7 years or longer: 0 - \$25,000 Prime + 4.75% \$25,001 - \$50,000 P + 3.75% Over \$50,000 Prime + 2.75%	Same as 7(a).	Loans \$50,000 or less: Prime + 6.5%. Loans over \$50,000: Prime + 4.5%.	Same as 7(a).	No SBA maximum interest rate cap, but SBA monitors for reasonableness.	Same as SBAExpress.	Interest Rate	Negotiated between lender and borrower. Fixed or variable rates are allowed.	Grant.	Negotiated between the lender and borrower. May be fixed or variable rate.	0% interest rate.	1%
Term	Shortest term possible, not to exceed 6 years.	CDC Loan: 10- or 20-year term fixed interest rate. Lender Loan: Unguaranteed financing may have a shorter term. May be fixed or adjustable interest rate.	Depends on ability to repay. Generally, working capital & machinery & equipment (not to exceed life of equipment) is 5-10 years; real estate is 25 years.	Up to 10 years, except Builder's CAPLine, which is 5 years.	Up to 7 years for Revolving Lines of Credit, including term out period. Otherwise, same as 7(a).	Up to 25 years.	Generally one year or less, may go up to 3 years.	Same as SBAExpress.	Term	Maximum terms Working Capital: 7 years Equipment: 15 years Real Estate: 30 years	Grant.	Maximum terms: Working Capital: 7 years Equipment: 20 years Real Estate: 30 years	10-year term.	30 years
Qualifications	Same as 7(a).	Alternative Size Standard: For-profit businesses that do not exceed \$15 million in tangible net worth, and do not have an average two full fiscal year net income over \$5 million. Owner Occupied 51% for existing or 60% for new construction.	Must be a for profit business & meet SBA size standards; show good character, credit, management, and ability to repay. Must be an eligible type of business. Prepayment penalty for loans with maturities of 15 years or more if prepaid during first 3 years, (5% year 1, 3% year 2, and 1% year 3). \$350,000 and under: All loan applications will be credit scored by SBA prior to loan approval or loan number. If score below 140 the loan can be submitted via SBAExpress.	Same as 7(a), plus all lenders must execute Form 750 & 750B (short-term loans)	SBAExpress: Same as 7(a) SBA Veterans Advantage: Same as 7(a) plus small business must be owned and controlled by one or more of the following groups: veteran; active-duty military in TAP; reservist or National Guard member; a spouse of any of these groups; or a widowed spouse of a service member or veteran who died during service or a service-connected disability.	Same as 7(a), plus engaged or preparing to engage in international trade or adversely affected by competition from imports.	Same as 7(a), plus need short-term working capital for exporting.	Applicant must demonstrate that loan will enable them to enter a new, or expand in an existing export market. Business must have been in operation for at least 12 months (though not necessarily in exporting).	Equity Requirements	Tangible balance sheet equity: 10% minimum for an existing business and 20% for new businesses.	None.	15% to 25% cash equity of eligible project costs.	Negotiated.	None
Credit Criteria									Credit Criteria	Based on borrower, project and meeting normal commercial lending standards. Personal guarantees subject to business legal structure.	Grant.	Based on borrower, project and meeting normal commercial lending standards. Personal guarantees subject to business legal structure.	Negotiated.	Must have adequate assurance of repayment of the loan.
Average Processing Time									Average Processing Time	10-60 working days, depending on scope of the project and completeness of the application.	3 months. Subject to national funding competition.	Subject to state and national funding competition.	3 months. Subject to national funding competition.	Subject to state and national funding availability.
Costs and Fees	No guaranty fee.	0.5% fee on lender share, plus CDC may charge up to 1.5% on their share. CDC charges a monthly servicing fee of 0.625%-1.5% on unpaid balance Ongoing guaranty fee is 0.9375% of principal outstanding. Ongoing fee % does not change during term.	Contact SBA regarding fee reduction for FY 2015. Fee charged on guaranteed portion of loan only. Maturity 1 year or less: 0.25% guaranty fee. Maturity more than 1 year: \$150,000 or less = 2% \$150,001 - \$700,000 = 3.0% Over \$700,000 = 3.5% Guaranteed portion over \$1million = 3.75 Ongoing fee of 0.52%.	Same as 7(a).	SBAExpress: Same as 7(a). SBA Veterans Advantage: No guaranty fee Ongoing servicing fee of 0.52%.	Same as 7(a).	Same as 7(a).	Same as 7(a).	Qualifications	The project must be located in a rural area which is all of North Dakota except Bismarck, Fargo, Grand Forks and most of Mandan and West Fargo.	No rural area requirements.	The project must be located in a rural area which is all of North Dakota except Bismarck, Fargo, Grand Forks and most of Mandan and West Fargo.	Rural areas with populations of 2,500 or less are given priority. All of North Dakota except Bismarck, Fargo, Grand Forks and most of Mandan and West Fargo.	Must have legal authority, record of assisting rural businesses and capitalization.
Costs and Fees									Costs and Fees	Typically 3% of the guaranteed portion of the loan. +.5% of the guaranteed portion annual renewal fee. Subject to change annually.	None.	Typically 1% of the guaranteed portion of the loan plus .25% annual renewal fee. Subject to change annually.	Negotiated with REC or RTC. Maximum 1% servicing fee.	None
Benefits	Direct loans from nonprofit intermediary lenders; fixed-rate financing; very small loan amounts; technical assistance available.	Low down payment - equity (10%-20%); The equity contribution may be borrowed; Fees can be financed; SBA Portion: Long-term fixed rate, Full amortization, No balloons.	Long-term financing; Improved cash flow; Fixed maturity; No balloons; No prepayment penalty (under 15 years).	1. Working Capital - revolving line of credit 2. Contract - can finance all costs (excluding profit) 3. Seasonal - seasonal working capital needs 4. Builder - finances direct costs with building a commercial or residential structure	Fast turnaround; Streamlined process; Easy-to-use line of credit. SBA Veterans Advantage: No guaranty fee.	Long term financing to allow small business to compete more effectively in the international marketplace.	Additional working capital to increase export sales without disrupting domestic financing and business plan.	Fast turnaround; Streamlined process; Easy-to-use line of credit.	Miscellaneous	Limits risk to lender. Can be used in participation and/or sold on secondary market.	Notice of Solicitations for Applications (NOSA) published annually.	Notice of Solicitation for Applications (NOSA) published annually.	The REC or RTC makes loans to for-profit or non-profit entities and public bodies for economic development and/or job creation projects.	Loans made from the fund are to businesses in rural areas of 50,000 or less population. *Legal entities not listed here are eligible for IRP Financing through a CDC. (See other side)