



SOUTHERN MINNESOTA  
INITIATIVE FOUNDATION

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*Southern Minnesota Initiative Foundation is an Equal Opportunity Lender*

## SMALL ENTERPRISE LOAN PROGRAM

*Innovative ventures shaping our economy*

Southern Minnesota Initiative Foundation's (SMIF's) Small Enterprise Loan Program supports small business owners and start-up entrepreneurs.

### Investment Amount

\$2,000 to \$35,000

### Eligibility Requirements

Loans are available for start-up or expansion of businesses engaged in:

- Manufacturing
- Retail
- Service
- Local Foods

### Eligibility Criteria

- Demonstrates a need for financing through a sound business plan
- Projects sufficient income to repay the loan within an appropriate time frame
- Demonstrates good character and a strong commitment to a business plan
- Demonstrates an inability to obtain sufficient financing from a traditional lender
- Non-citizens must provide copy of Alien Registration Card (both sides)
- Committed to and located in SMIF's 20-county region

### Use of Funds

- Inventory
- Supplies
- Working Capital
- Machinery/Equipment

### Ineligible Use

- Refinancing of existing debt
- Conventional Agriculture
- Real estate purchases

### Loan Terms

- Interest rates are determined on a case-by-case basis and typically based on market rates
- Maximum loan term is six years
- Sufficient collateral required
- Personal guarantees are generally required with business entity
- Fees: Loan recipients are charged a \$100 processing fee that must be paid at closing with all costs of searches, credit reports, filings, and legal fees incurred by SMIF

### Application Process

- Small-Enterprise Loan Application
- Current business plan
- Cash flow projections for 24 months
- Personal financial statement(s) of the principal owners
- Two years of personal income tax returns of the principal owners
- Two years of business financial statements and income tax returns (existing businesses)

**\*All loan clients may receive FREE technical assistance that includes QuickBooks training, marketing ideas, and scholarships for continuing education classes.** For more information or to obtain a Small Enterprise Loan Application, contact Marcia Haley at 507-455-3215 or [marciah@smifoundation.org](mailto:marciah@smifoundation.org), or visit our website at [www.smifoundation.org](http://www.smifoundation.org).

*These materials are partially funded by a grant from the U.S. Small Business Administration. SBA funding is not an endorsement of any products, opinions or services. All SBA funded programs are extended to the public on a non-discriminatory basis.*

Collaborating for Regional Vitality

