



SOUTHERN MINNESOTA
INITIATIVE FOUNDATION

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Southern Minnesota Initiative Foundation is an Equal Opportunity Lender

Southern Minnesota Equity Fund

Investing in innovative and transformational businesses

Southern Minnesota Initiative Foundation has created the Southern Minnesota Equity Fund to provide financial capital and expertise to early stage and start-up companies. The Fund will look to partner with other organizations and individual investors to leverage capital and expertise to grow innovative companies who will provide economic opportunities for Southern Minnesota.

Fund Objectives

- \$3 million fund/5 years—investing up to \$600,000 per year
- Investing in 20 to 25 companies over 5 years—4 to 5 investments per year
- Maximum initial investment of \$100,000, eligible for follow-up investments
- Southern Minnesota geographical or economic presence
- Start-up to early stage companies
- Target Sectors
 - Medical device and diagnostics
 - Health and IT services
 - Technology
 - Ag Biotech
 - Software
 - Energy
- Investment criteria includes:
 - A viable product or service
 - Working prototype
 - Fully developed business plan
 - Market validation (beyond a plan): beta testing and/or revenue-generating model
 - Demonstrated competitive advantage or proprietary product
 - Strong management team with investment into the company
- Typical investments include equity or convertible note
- Companies looking to raise \$100,000 to \$3,000,000
- Minnesota-based, eligible for MN Angel Tax Credit preferred but not required

For more information on the Southern Minnesota Equity Fund, contact Diane Lewis at 507-455-3215 or dianel@smifoundation.org, or visit our website at www.smifoundation.org.

Collaborating for Regional Vitality

