

NEW LOW-INTEREST LOANS AVAILABLE FOR ST. LOUIS SMALL BUSINESSES & NON-PROFITS



SLDC Hopes to Expand Access to Capital for Qualified Entities Who May Not Be Able to Obtain Traditional Financing

St. Louis Development Corporation (SLDC) – the economic development arm serving the City of St. Louis – understands that Small Businesses and Non-Profits need access to capital to grow and expand. To meet immediate capacity building and cash flow needs, SLDC has invested \$2.5 million to create a new loan to support growing small businesses and non-profits: **ScaleUpSTL**. We have partnered with St. Louis Community Credit Union (SLCCU), in collaboration with the Small Business Empowerment Center (SBEC), to fund qualified entities operating within the City of St. Louis. In alignment with SLDC's Economic Justice Action Plan, special emphasis will be placed on financing for qualified entities located in and/or serving the Southeast and Northern half of the City. Women- and minority-owned businesses are encouraged to apply.

To fund this unique program, SLDC is putting a portion of its Federal ARPA allocation into a loan fund to reduce interest rates and de-risk investments, giving entities that may not have the ability to obtain a traditional loan from a bank or financial institution another option. This will provide greater access to capital and lower the cost of capital for Small Businesses and Non-Profits in the City of St. Louis.

ABOUT ScaleUp:STL BUSINESS GROWTH LOANS

Traditional and SBA 7a & 504 commercial loan products available to qualified borrowers for \$10,000 to \$5 million include:

- **Working Capital Lines of Credit** – 12-month term, interest-only payments and principal due upon maturity.
- **Construction Lines of Credit** – 60-month term with interest only payments due monthly the first 12 months. Payments for months 13 to 60 include both principal and interest. At the conclusion of the term, the balance is converted into a real estate term loan.
- **Term Loans (i.e. equipment)** – Typically made for 5 to 10-year term with principal and interest paid monthly.
- **Owner-Occupied Commercial Real Estate Loans** – Typically 5-year term loans with principal and interest paid monthly, but based on 15 to 25-year amortizations.
- **Investment Real Estate Loans** – Typically 5-year term loans with principal and interest paid monthly, but based on 15 to 25-year amortizations.

Requirements

- Two (2) years in business (with corresponding tax returns)
- Individuals owning 20% or more of the business must be US Citizens or legal permanent residents
- Borrowing business must not have defaulted on any government-backed loans
- Business owner has not filed bankruptcy or had a foreclosure in the past three (3) years and no current, significant credit challenges
- Ability to calculate cash flows using tax returns, YTD Profit & Loss and Balance Sheet, Business Debt Schedule and most recent six (6) months of business bank statements
- Personal financial statement

Below Market Interest Rates

As a general rule, SLCCU prices commercial loan products for qualified borrowers as low as 1.5% APR below prime to .5% APR above prime.

developstlouis.org/scaleupstl

The ScaleUpSTL Business Growth Loans are wholly funded with Coronavirus State and Local Fiscal Recovery Funds (SLFRF) passed through the City of St. Louis Community Development Administration (CDA).

SLDC does not determine creditworthiness or make lending decisions. Meeting program eligibility requirements does not guarantee funding.

