

Apply Today:

Get your NCG DC loan!

BY DAVE BLACKBURN

Last fall, National Co+op Grocers (NCG) officially launched, through its Development Co+operative, the NCG DC Loan Fund. The Loan Fund is a \$10 million program, composed of \$2 million of subordinated debt from NCG and 18 NCG member co-ops, and \$8 million in senior debt from Capital Impact Partners. The Loan Fund was formed to address the difficulty experienced by retail food co-ops in obtaining bank loans, and it represents a new channel through which food co-ops may obtain loans.

As of January 2015, the Loan Fund has one application in progress for \$1 million. That means \$9 million is still available!

Please consider the NCG DC Loan Fund for your next business expansion. This fund represents a critical first step in our ability to increase the availability of capital for food co-op expansion projects. Your support of this fund will help our food co-op system build credibility with investors and provide greater access to capital for retail food co-op expansions in the coming years.

Loans are available for store remodels, refinancing, equipment, asset purchases, and other development, improvement, or expansion projects. Loans will be underwritten and serviced by Capital Impact Partners, with administration and final approval by the Loan Fund. All loans must be senior secured loans, and the Loan Fund will not consider any subordinated or second-position financing.

The Loan Fund aims to provide flexible underwriting and speedy approval for qualified borrowers, and funds are available under the following terms:

Loan Fund Terms



Origination fee:	1.0% of the total loan amount
Interest rate:	Currently less than 5.5% (includes Capital Impact and NCG DC fees) Based on 5-year U.S. Treasury rate and fixed for 5 years
Term:	10-year term with 20-year amortization for real-estate projects collateralized with real estate or leasehold interest
Loan size:	\$500,000 to \$1,000,000 (may be higher depending on credit quality)

The fund will make loans through the earlier of December 31, 2015, or until the funds are exhausted. Applications will be accepted through August 1, 2015—but don't delay, apply today! Please contact Dave Blackburn of the NCG Development Co+operative (dave.blackburn@ncg.coop) to discuss your project and to request a loan fund application.



CAPITAL IMPACT
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About Capital Impact Partners

Capital Impact Partners (formerly NCB Capital Impact) is a nonprofit community development financial institution pursuing ends that include the economic advancement of cooperatives and a Healthy Foods Initiative in California. They recognize the community-anchoring potential of co-op grocery stores to deliver healthy food and invigorate their local economies as a worthy investment to those ends. Learn more at www.capitalimpact.org.