

# Business Builder Grant — AltCap Bridge Microloan

## About

AltCap Bridge Microloans are designed to assist food and farm enterprises that have been approved for a reimbursable grant by the Heartland Regional Food Business Center to immediately access the funds they need to launch or expand their business.

## Terms & Conditions

- **Eligible businesses:** Small food and farm businesses that have been awarded a grant and are located in or serving the Heartland Center's five-state region of Iowa, Kansas, Missouri, Oklahoma, and Nebraska, or nine counties in northwest Arkansas (Benton, Carroll, Boone, Washington, Madison, Newton, Crawford, Franklin, Johnson).
- **Amount:** Up to \$50,000. AltCap will consider loans above \$50,000 on a case-by-case basis.
- **Loan Repayment Period:** Initial loan repayment terms will be up to six months and up to 36 months if the Bridge Microloan isn't paid within 6 months.
- **Interest Rate:** AltCap Bridge Microloans will have no interest for up to six months. If at the end of six months the loan has not been fully repaid from grant proceeds, the bridge loan will convert to a term loan and the interest rate on the unpaid principal bridge microloan balance will be set at a fixed rate at the current prime rate plus 4%.
- **Fees:** 5% origination fee, any recording fees for collateral and \$15/month servicing fee.

## Repayment schedule

- Repayment will be based on the terms and conditions of the reimbursable grant agreement.
- Upon release and payment of the reimbursable grant, the borrower will use the grant proceeds to pay down the bridge microloan.
- Any bridge microloan unpaid after the loan repayment period will be converted to a term debt loan.

## Other Terms & Conditions

- All loans will require a personal guarantee
- Collateral (e.g. blanket UCC on business assets)
- Loan decision made and communicated to applicant within 10 business days after providing all loan application documents.

## How to Apply

To apply for an AltCap Bridge Microloan, please contact Business Financing Specialist Zach Surgeon at (833) 549-2890 or [zsurgeon@altcap.org](mailto:zsurgeon@altcap.org)

