



**Caribou
Economic
Growth
Council**

P O Box 779 Caribou Maine 04736
25 High Street Caribou Maine 04736
citymanager@cariboumaine.org
(207) 493-5961 fax: 498 – 3954
www.cariboumaine.org/business

Loan Portfolio Overview

The Caribou Economic Growth Council (CEGC) has two loan funds to help local businesses start-up or expand. It is the purpose of this program to provide financing for business activity and community development to help create and/or retain jobs within the economic development district serviced by the CEGC.

While traditionally a gap lender, the CEGC typically is willing to take more risk on loans than traditional lending institutions. This may benefit some start-up companies.

Businesses must be located within the City of Caribou to receive loan funds.

Interest rates for loans from the CEGC are set at one half percent above prime.

Collateral will depend on the loan requested. Generally, any assets purchased with the loan proceeds will be taken as collateral.

On the following pages is more information on the various loan funds that the CEGC has. If you have questions, please do not hesitate to contact us. You may call City Manager Penny Thompson at (207)493-5961 or email pthompson@cariboumaine.org.

If you are interested in applying for a loan with CEGC call 493-5961 to help determine eligibility. If determined eligible an employee of the Business Finance Department at the Northern Maine Development Commission will help you with the application and any additional information about your business, the ownership, and the management of the business needed to process your loan.

We look forward to helping you and your business grow in Caribou!

Cheat Sheet on Program Guidelines

Terms & Conditions	FAME - REDRLP	Caribou - Reserve
Maximum Loan Amount*	Maximum \$350,000; 50% of projects of \$50,000 or more, 100% of projects for projects \$50,000 or less.	\$ 50,000
Interest Rate	Prime + 0.50% set at closing fixed for 5 years with a floor of 5%.	Prime + 0.50% set at closing fixed for 5 years
Fees	1% Origination Fee	1% Origination Fee
Collateral	Collateral to be required	Collateral to be required
Eligible Location	Caribou	Caribou
Purpose	Provide Gap financing for new businesses and expansion or retention of existing businesses.	Provide Gap financing for new businesses and expansion or retention of existing businesses.
Additional Terms	See Program Outline for Additional Terms & Conditions	See Program Outline for Additional Terms & Conditions
	Assignment of Life Insurance	Assignment of Life Insurance

***CEGC has an aggregate loan limit of \$250,000 from all funds for any one borrower or affiliates.**

