Lending Program

We’re passionately committed to unleashing the full, dynamic potential of west central Minnesota, in large part by investing in its economic development.

Small Enterprise Loan Fund

Our Small Enterprise Loan Fund primarily provides loans from $1,000 to $50,000 to businesses in the manufacturing or service sectors. Retail businesses are eligible for loans if we determine they don’t compete with others in their immediate trade area.

- Bank financing or a lead lender is not required.
- Typically, these loans are to retail, service, manufacturing, or startup businesses.
- Borrowers can use loan funds for fixed assets and working capital.
- Loan origination fee is 1% of the loan amount.
- Typically, a minimum of 10% equity is required.

Access to Capital Loan Fund

Through our Access to Capital Loan program, we’ll match bank loan amounts up to $75,000.

- We offer a fixed rate, 5-year balloon, and amortization to match the bank.
- 100% loan to value subordinated financing is available.
- We may expedite review based on bank write-up.

Business and Industry Loan Fund

The Business and Industry Loan Fund offers loans from $20,000 to $300,000. These loans target several key industries, including manufacturing, technology, local foods, agriculture, and health care. We work in partnership with local lending institutions, economic development organizations, and government agencies to help “fill the gap” between available and necessary financial resources. Projects require primary financing through a bank.

- As a gap lender, we typically finance 10%-40% of the total financing package.
- We offer a fixed rate, 5-year balloon, and amortization to match the bank.
- Typically, rates are similar to market rates available through commercial lenders.
- We require collateral, personal guarantees.
- We require insurance with West Central Initiative listed as loss payee.
- This program is compatible with SBA 7a and 504 financing.

Child Care Loan Fund

We offer loans of up to $3,500 for home-based child care providers. Center-based providers may be eligible for additional funds. Borrowers must use the loan to open or retain child care slots in our region. Most loans are related to improvements for property to be licensed or to expand licensed space.

- See Small Enterprise Loan Fund guidelines above for additional information.
- Interest rates are below market rate.
Types of loans we typically can’t finance

Although we do our best to accommodate applicants, we typically can’t finance certain types of loans, including loans for:

- Projects with no equity investments.
- Applicants with poor credit histories.
- Businesses that are unduly speculative or lacking a business plan.
- Businesses brought into or relocated within our region without creation of new jobs.
- Businesses that are unduly competitive with businesses in the same trade area.
- Governmental entities.
- Consumer loans.
- Real estate development (speculative development).
- Agricultural production.
- Refinance existing debt.

Application process

We encourage you to visit wcif.org/loans/loan-applications for more information about our loan offerings, including the applications. Before applying for a loan, please contact one of our team members listed below. We review applications as we receive them.

Contact us

Kate Mudge
Business Development Officer
kate@wcif.org
218-739-2239

Greg Wagner
Director of Business & Economic Development
greg@wcif.org
218-998-1621

Additional Resources

If you need help creating a business plan, finding a potential retail space, identifying cash flows, and beyond—our region is home to many organizations that can help make your idea a reality. Below are just a few.

SCORE Prairie and Lakes offers free and confidential counseling to startup businesses and existing small businesses: prairieandlakes.score.org

Small Business Development Center provides small business owners and future small business owners with professional expertise and guidance to flourish in today’s competitive and ever-changing business world: westcentralmnsbdc.com

Greater Fergus Falls offers free coaching and consulting services to businesses and entrepreneurs within 10 miles of Fergus Falls: greaterfergusfalls.com/elab

“A couple gentlemen in town had been doing mechanic work for 40 years and were getting close to retirement. I felt like it was my time to get in the game before they retire, so I could serve the area. I needed a bit more funding. Amy and Steven with Wheaton Economic Development told me stories about people in town who worked with West Central Initiative and were able to get funding. They said it was a painless process, and that’s what it turned out to be. Between emails and phone calls, it was a great experience.”

Cory Amborn
Amborn Repair in Wheaton, MN
West Central Initiative Loan Customer

Funding partners include the McKnight Foundation, Minnesota Department of Employment and Economic Development, U.S. Department of Commerce: Economic Development Administration, and USDA Rural Development.

West Central Initiative is an equal opportunity provider, lender, and employer.