

NEW LOW-INTEREST LOAN PROGRAM AIMS TO HELP MINORITY-OWNED CONTRACTORS & SUPPLIERS MOBILIZE FOR LARGE-SCALE PROJECTS



Mobilize:STL
Contractor & Supplier Loans

Powered by SLDC + Rise CDFI

SLDC Seeks to Help Bridge the Financing Gap to Allow Disadvantaged Businesses to Compete

To provide short-term loans to small construction contractors and suppliers serving as vendors to a major employer or on a construction project, the economic development arm serving the City of St. Louis — St. Louis Development Corporation (SLDC) — has invested \$2.5 million to create a new loan: **MobilizeSTL**. In partnership with Rise Community Development Financial Institution (CDFI), **MobilizeSTL** will offer bridge loans to help improve cash flow while contractors/suppliers navigate the 30-60-90-day or more pay process and overcome other funding delays that come with participation in major projects.

In alignment with SLDC's Economic Justice Action Plan, to bolster the creation of wealth — particularly in black communities in St. Louis — Rise CDFI provides tailored technical assistance geared toward building capacity for women- and minority-owned firms to increase their participation in larger scale projects and foster diverse business growth.

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 Contractors and Suppliers in the City of St. Louis.



ABOUT MobilizeSTL CONTRACTOR & SUPPLIER LOANS

- **Uses** – These loans help bridge the costs of initial contract mobilization, allowing your firm to deliver on contract terms from day one, well before regular pay cycles begin.
- **Loan-to-Value** – Up to 50% of contract total
- **Term** – 3 to 18 months depending on construction schedule
- **Recourse** – Full recourse to the borrower
- **Estimated Time to Close** – Upon receipt of all required application materials via online portal, closing can take place within 30 – 45 days
- **Fees** – No application fee, borrower pays any related costs plus 1% origination fee
- **Interest Rate** – 4% fixed rate
- **Prepayment** – No prepayment penalties
- **Collateral** – Personal guaranty and signed construction or supply contract

developstlouis.org/mobilizestl

The MobilizeSTL Contractor & Supplier 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.

