

2016 DROUGHT LOAN FUND INSTRUCTIONS

The 2016 Drought Loan Fund is up and running. Completed applications must be submitted to one of MGCC's partner organizations.

Below you will find links to our partner organizations: Massachusetts Small Business Development Centers, Massachusetts Association of Community Development Corporations, Gateway Cities Economic Development Offices. You can also contact your local Chamber Commerce for sponsorship.

[Mass Small Business Development Centers](#)

[Mass Association of Community Development Corporations](#)

General Terms and Conditions

- Open to Massachusetts-based family farms and farm related businesses
- Ineligible businesses include companies involved in real estate investment, multi-level marketing, adult entertainment, or firearms
- Loan amounts \$5,000 to \$10,000
- 3-year note with a 6-month moratorium on principal (interest due monthly), then 30-month of principal and interest (direct debited)
- Annual interest rate 3%
- Personal guarantee required of all owners with 20% or more interest in the company
- All asset lien on business
- No prepayment penalty

Approval contingent on business being profitable prior to 2016 drought and no adverse personal credit reports 60 days past due for the first six months of 2016.

Steps to submit application:

- Please fill out the 2016 Drought Loan Fund Application
- Attach other required information
 - 2015 business and personal tax return
 - Interim 2016 internally prepared financials
- Completed application and attachments need to be presented to a partner organization:
 - A member of The Massachusetts Association of Community Development Corporations [MACDC](#)
 - Your local Massachusetts Small Business Development Corporation [MSBDC](#)
 - A Gateway City or other cities' economic development department [Gateway Cities Economic Development Contact](#)
 - Your local chamber of commerce [Massachusetts Chamber of Commerce Directory](#)
- Partner organization signs endorsement statement and submits completed loan application and attachments to MGCC