



The Alabama Microloan Fund

The Seedco Financial Services, Inc. (Seedco Financial) provides term loans to small entrepreneurs and emerging small businesses in targeted communities throughout Alabama. The terms for a microloan range from 1 to 7 years- the average term is slightly above four years. The majority of our successful microloan applicants have a good financial and operating standing but are unable to access financing from a traditional bank do to a variety of reasons: length of time in business, credit scores below banks threshold, no formal banking relationship, inadequate collateral or the loan does not fit into banks profile.

About the Loan Fund

Loan size

- \$2,500 to \$35,000

Financial products

- **Term Loans** for working capital, purchasing inventory and equipment, improving leased/owned space, as well as for costs associated with creating, sustaining, or expanding business.

Terms

- **Interest Rates** 10%
- **Payback period** on term loan up to 7 years, average 4 years

Eligibility

Locally owned and operated small businesses with 50 employees or less, who demonstrate a minimum of the following may contact us for an interview to potentially apply:

- Strong owner management and leadership team with demonstrated ability to manage personal and business credit
- Targeted communities include: Jefferson (Birmingham), Madison (Huntsville), Mobile (Mobile), Montgomery (Montgomery), Tuscaloosa (Tuscaloosa), Choctaw, Dallas, Greene, Hale, Lowndes, Macon, Perry, Pickens, Sumter and Wilcox counties
- Demonstrated revenue growth over past 2 years, with prospect to generate additional cash flow
- Well defined business model with defensible market positions
- Ability to service the requested amount of debt
- Willing to participate in technical assistance activities

About Seedco Financial

Seedco Financial is a national nonprofit Community Development Financial Institution (CDFI). Working with local partners, it provides financial resources to develop or rejuvenate low-income communities. This financial assistance usually takes the form of below market rate loans to community organizations and businesses in economically distressed communities. Seedco Financial is a subsidiary of Seedco, a national community development intermediary focused on low-wage workers and their families.

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Seedco Financial
Innovations in Community Lending

The Alabama Small Business Loan Fund

The Seedco Financial Services, Inc. (Seedco Financial) provides term loans to small entrepreneurs and emerging small businesses throughout Alabama. The terms for a small business loan range from 1 to 5 years- the average term is slightly above three years. The majority of our successful small business loan applicants have a good financial and operating standing but are unable to access financing from a traditional bank do to a variety of reasons: credit scores below banks threshold, no formal banking relationship, inadequate collateral or the loan does not fit into banks profile.

About the Loan Fund

Loan size

- \$50,000 to \$250,000

Financial products

- **Term Loans** for working capital, purchasing inventory and equipment, improving leased/owned space, as well as for costs associated with creating, sustaining, expanding business; and in some instances to refinance existing high interest debt.

Flexible terms, including:

- **Interest Rates** range 8% to 10%
- **Extended payback period** on term loans (up to 5 years)
- **Loans tailored to the business'** project growth needs

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- Demonstrated revenue growth over past 2 years, with prospect to generate additional cash flow
- Well defined business model with defensible market positions
- Ability to service the requested amount of debt

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