

FAQs

1. What is the process of getting funding through the NDDF?

Companies should reach out to the NDDF prior to submitting an application to make sure it is a fit for the program.

Applicants should submit their application and supporting materials to the NDDF. The NDDF will not begin the review of the application until all documentation has been submitted. Applications are reviewed on a first-come-first-serve basis.

Once all application materials are received, the NDDF will enter due diligence which spans an average of one week.

2. How do I fill out the “Use of Funds” section?

Each column will coincide with the amount of each source in the section above. For example: if the Owner’s Equity of \$20,000 is for working capital you would place \$20,000 in column “Source A”, row “Working Capital”.

Sources of Funds		Amount		Sources of Funds		Amount
A. Owner Equity		\$ 20,000.00		D. Other		\$
B. ND Child Care Loan Program Funds		\$ 100,000.00		E. Other		\$
C. Other Bank		\$ 200,000.00		TOTAL		\$ 320,000.00
Use of Funds	Source A	Source B	Source C	Source D	Source E	Total Cost
Land Acquisition	\$	\$	\$	\$	\$	\$ 0.00
Building Construction	\$	\$	\$	\$	\$	\$ 0.00
Building Purchase	\$	\$ 50,000.00	\$ 200,000.00	\$	\$	\$ 250,000.00
Site Improvement	\$	\$ 50,000.00	\$	\$	\$	\$ 50,000.00
Machinery/Equipment	\$	\$	\$	\$	\$	\$ 0.00
Inventory	\$	\$	\$	\$	\$	\$ 0.00
Working Capital	\$ 20,000.00	\$	\$	\$	\$	\$ 20,000.00
Other	\$	\$	\$	\$	\$	\$ 0.00
TOTAL	\$ 20,000.00	\$ 100,000.00	\$ 200,000.00	\$ 0.00	\$ 0.00	\$ 320,000.00

3. What is trade references?

A trade reference is a company you do business with in which you have a record of payment. An example would be a food distributor or paper product distributor.

4. Does the application need to be signed by a Financial Institution/Developer?

No, if you are not utilizing another form of financing(bank) as well as NDDF it does not need to be signed.

5. What is a personal guaranty?

A personal guaranty is a legal promise to repay the loan issued. NDDF also requires a personal guarantor to provide a life insurance policy in the amount of the loan which lists NDDF as beneficiary.

6. What will the term of my loan be?

Typically, if the loan is for working capital or equipment the term would be 3-5 years. If the loan is for real estate the term would be 7-10 years.

7. Do I need to be licensed before the funds are released?

In many cases the funds will need to be released before the licensing process is complete. The NDDF staff will follow up to ensure the correct paperwork is obtained.