

How to Apply for NEON Loan

We understand access to capital for a real estate project is particularly tough for BIPOC Developers in an under-served community such as North Minneapolis. NEON loan products are designed to meet your development distinct needs at all stages, including predevelopment, acquisition, and construction. We also offer bridge financing and working capital revolving loans.

Follow these simple steps to apply for NEON loan:

1. Know your financial need. Before applying, assess your plan. Look at your financials to determine what kind of capital you'll need and how much.
2. Start the conversation by contacting NEON Loan Department at loans@neon-mn.org or 612-302-1505.
3. Submit your request for funding to NEON. We recommend you use the Application Form listed at the bottom of this page. Your request should include the answers to the following:
 - a. **Who is the applicant/borrower?** Include the legal entity name, EIN, date formed, operating address, contact information and a brief history of the company, including development experience, sponsorship and guarantees.
 - b. **What type of financing do you need?** How much and requested term.
 - c. **What is the use of proceeds?**
 - d. **What is the source of repayment NEON can expect?**
 - e. **How soon do you need the financing?**
 - f. **What is the description of your project?** Residential, commercial mixed use? What is the location, size activities and type of construction?
 - g. **Do you have site control?** If not, what mechanism do you have that assures you of future control?
4. Upon receipt, NEON will schedule a time to meet with you and analyze your request from a variety of perspectives including developer capacity, strategic importance of project, community impact, credit analysis, risk assessment, and involvement/commitment of other partners.
5. Should you and NEON mutually agree to move forward, you will be asked to submit all of the remaining information required to successfully underwrite your loan, as indicated on the checklist. A NEON Loan Officer will analyze and underwrite the loan request, complete loan Presentation and Request for Action.
6. The Loan Presentation and Request for Action are presented to Credit Committee. Loan amount \$25,000 or less is presented to Internal Credit Committee, consisting of NEON Management Team. Loan amount over \$25,000 is presented to External Credit Committee, consisting of community members, Board members, and banking community members.
7. Loan requests are reviewed by the Credit Committees to ensure they meet high standards regarding Community Impact; Alignment with NEON Mission; and Risk Assessment.
8. Upon final approval, loan agreements, promissory notes, Guarantee Agreement and Security Agreements are generated, executed and funds disbursed.