

# Kansas Capital Multiplier Loan Fund

for Businesses Across Kansas

**N**etWork Kansas in partnership with the Kansas Department of Commerce introduces a new matching loan fund to help businesses across Kansas. The Kansas Capital Multiplier Loan Fund provides more than \$10.5 million in matching loans to businesses raising capital in the form of loans from banks, certified development companies, and other private capital resources.



Qualifying businesses are eligible to apply for up to 9% of private capital loans and investment.

## Eligible Matches

Private capital includes; loans from banks or other private lenders (includes those guaranteed by a government agency, such as SBA and USDA), the increased amount of an existing line of credit, and equity investment from new or existing owners.

## Fund Benefits

- Multiplier loans are subordinate to private capital loans
- Flexible terms
- Minimal closing costs
- Funds can be used for a variety of purposes, including working capital
- Businesses can be located in both rural and urban areas

## Eligible Businesses

- For-profit businesses with no more than 500 employees

## Terms

- The minimum loan amount is \$25,000. The maximum amount varies depending on the total amount of private capital invested in a project.
- Loan terms are subject to the parameters set forth in the table to the right. There is no penalty for early repayment of the loan.
- For maximum loan amount and terms, refer to the table for details.

“The Kansas Capital Multiplier Loan Fund gives lenders a unique funding tool – one that leverages bank loans and other private capital to provide a business client with working capital. The Fund is a positive development for economic development in Kansas.”

**Randy Hrabe**  
Executive Director  
Pioneer Country Development, Inc.

### PROJECT FUNDING:

Private Investment	Loan amount	Terms
\$278,000 - \$5 million	\$25,000-\$250,000	5%, 0-15 years
\$5 million - \$10 million	\$25,000-\$500,000	5%, 0-15 years*
\$10 million - \$20 million	\$25,000-\$750,000	5%, 0-15 years*

\*Applicant may propose modified terms based upon specific milestones

# Kansas Capital Multiplier Loan Fund

*Continued*

## Funding Flexibility

Loan proceeds may be used for, but are not limited to, startup costs, working capital, commercial real estate acquisition, asset purchase, inventory financing, franchise financing, construction, and expansion.

Funds cannot be used for the following purposes: **a)** to refinance existing debt where the lender is in a position to sustain a loss, **b)** to effect a partial change of business ownership or a change that will not benefit the business, **c)** to permit reimbursement of funds owed to any owner, **d)** to repay delinquent state or federal withholding taxes, or **e)** to finance a non-business purpose.

## Additional Capital Availability

While public funds cannot be used to match the Multiplier Fund, they can be included to help finance the project or business. This includes, but is not limited to: NetWork Kansas matching fund programs (E-Community and StartUp Kansas), county and city microloan programs, Main Street organization funds, and CDBG funds.

## To Apply for Funds

Business owners access funds by working with NetWork Kansas Resource Partners. Examples include the Kansas Department of Commerce, certified development companies, University Centers of Excellence, state entrepreneurial centers, the Kansas Bioscience Authority (KBA), Main Street Kansas organizations, Chambers of Commerce, SBA, USDA, economic development agencies, and other non-profit organizations charged with assisting for-profit businesses in Kansas.

Applications are available on the NetWork Kansas website ([www.networkkansas.com](http://www.networkkansas.com)). A login and password are required to access the application. If Resource Partners have additional questions, please contact Jamie Hofling at (785) 296-0383.

For additional questions about how to apply, or to be connected with a partner, please call (877) 521-8600.

## Ineligible Businesses

- Non-profit organizations
- Academic institutions
- Gambling concerns
- Firms engaged in activities prohibited by law
- Floor-planning concerns (e.g., wholesale auto inventory financing)
- Real estate investment firms
- Speculative concerns
- Lending or investment institutions
- Multi-level marketing or pyramid sales organizations
- Charitable and religious organizations
- Government-owned corporations
- Consumer or marketing cooperatives

“Small businesses often struggle with the capital they need to gain a solid footing and become successful ventures. This program will help strengthen those businesses, so they can eventually expand and contribute to job growth.”

**Pat George**

*Secretary, Kansas Department of Commerce*

For more information about NetWork Kansas, visit [www.networkkansas.com](http://www.networkkansas.com), or call 877.521.8600. NetWork Kansas was established as a component of the Kansas Economic Growth Act of 2004 to further entrepreneurship and small business growth as a priority for economic and community development in the State of Kansas. Backed by more than 470 partners statewide, the NetWork Kansas service promotes an entrepreneurial environment by connecting entrepreneurs and small business owners with the expertise, education and economic resources they need in order to succeed.

