

THE MISSION OF THE DULUTH 1200 FUND IS TO FOSTER THE LONG-TERM VITALITY AND DIVERSITY OF DULUTH'S ECONOMY BY PROVIDING SUSTAINABLE AND RESPONSIVE GAP FINANCING AND FUNDING OPTIONS THAT EMPOWER LOCAL BUSINESSES TO STARTS, GROW, AND THRIVE.

2026 Duluth 1200 Fund Fee Schedule

All fees are non-refundable

Application fees-

Build Forward Duluth \$250

Origination fee -

Build Forward Duluth 1% of the loan value being requested

- *This one-time charge covers the costs of processing, underwriting, and setting up loan details. Allows staff and underwriting consultants to review applications and determine creditworthiness and evaluation of financial documents.*

Collaboration Grant 1% of the grant value being requested

- *Grant Origination fees are collected at the time of grant execution.*

Interest Rates-

- *Adjusted annually, based on Prime Rate provided by the Wall Street Journal*

Build Forward Duluth 25% below current prime interest rate

Historic Fund 0% - 3 % based on building location

Storefront Loan 4%

Mentorship Loan 2%

Closing Fees-

Build Forward Duluth Loan 2% of the loan value

Collaboration Grant No closing fee, only origination fee

Historic Fund Loan 2% of the loan value being requested

Storefront Loan 2% of the loan value being requested

Mentorship Loan 1% of the loan value being requested

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- *Covers the attorney costs to draft paperwork, processing, and document preparation.*

Subordination Requests-

- Fees vary. Costs to subordinate loans will be invoiced to the requesting borrower after the subordination is complete and are due within 30 days.
- All Subordination requests must be submitted to Duluth 1200 Fund staff at least 21 days prior to the upcoming scheduled meeting date for internal review or board motion if needed.

Invoicing and Deadlines:

- Applications fees are due within 30 days of submitting the application.
- Loan Origination Fees are invoiced after staff provides a full application review and are due within 30 days.
- Loan Closing Fees are due at the time of the loan closing.

Adopted:

2/11/2026