



# SNIEDC

Seneca Nation of Indians Economic Development Company  
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## COMMERCIAL MORTGAGE LOAN

	<b>Minimum</b>	<b>Maximum</b>
<b>Loan Limits</b>	\$75,000	\$375,000
<b>Interest Rates</b>	5.50%	9.50%
<b>Term of Repayment</b>	Up to 20 Years	

The Commercial Mortgage (CMG) Fund is intended to allow borrowers to purchase, renovate and leverage real property on the Seneca Nation territories. It is anticipated that projects funded in whole or in part by CMG loans will range from \$75,000 to \$375,000. Larger projects will only be partially funded with CMG loan proceeds. Particular features of commercial mortgage loans are offered below:

### ELIGIBLE BORROWERS

Enrolled members of the Seneca Nation of Indians, corporations, partnerships, and joint ventures in which enrolled members own a majority of the ownership interest and are active in the conduct of business. A Non-Seneca Enrolled Native American supporting a Seneca Family is also eligible.

All borrowers of SNIEDC CMG funds are subject to and shall be deemed covered employers under the Tribal Employment Rights Ordinance (TERO) enacted in Special Council Session of the Seneca Nation of Indians on June 23, 1993, as amended. As such, applicants for SNIEDC loans are required to meet with and to submit such information as is required by the TERO office. Compliance with TERO shall be an affirmative action covenant of all loan agreements between SNIEDC and borrowers.

### ELIGIBLE LOCATIONS

The area served shall generally be within Seneca Nation of Indian Territories and geographical areas surrounding. While preference will be given to borrowers whose business will be conducted on Seneca Nation of Indians land, consideration will be given to eligible borrowers whose businesses are operated, in part or whole, on non-Seneca lands so long as a sound business justification is provided for the off-reservation location(s).

### NATURE OF BUSINESS

Borrowers may be involved in research and development, manufacturing, processing, distribution, wholesale and retail trades, or the provision of services.

## USE OF PROCEEDS

Loan proceeds may only be used for land and building acquisition, construction and/or renovation of real property.

## INTEREST RATE

SNIEDC uses a Risk-based calculation to determine an applicant's interest rate. For the CMG, SNIEDC analyzes an applicant's Credit Score, Debt Service Coverage ratio, and Loan-to-Value Ratio to calculate the interest rate from 1% to 5% above the Wall Street Journal Daily Prime Rate.

**Financial Incentive Program** - SNIEDC customers are eligible for a one (1) percentage point reduction in the loan interest rate after paying timely for 12 consecutive months. The reduced interest rate will remain in place so long as the borrower continues to make timely payments.

## COLLATERAL

The Mortgaged property will be used as collateral.

## GUARANTEES

As additional comfort to the repayment of SNIEDC CMG loans, guarantees of principals and affiliates may be required in addition to the primary loan collateral. Such guarantees may be of a personal or corporate nature and may be secured by assets of the guarantor or unsecured obligations.

## SNIEDC EQUITY PARTICIPATION

If SNIEDC determines that the risk to all or part of its loan is equivalent to an "equity" risk, equity participation may be required as a condition of the loan commitment. The form and nature of the equity participation are negotiable and should be determined, if possible, prior to the issuance of a commitment letter for CMG funding.

## FEE STRUCTURE

### *Closing Fees*

2%	Loan Origination Fee
1%	Mortgage Tax (if applicable)
\$300	Standard Legal Fees
Variable	Mortgage Legal Fees
\$20/\$40	UCC Filing Fee County (real property) and State (first 5 yrs, if applicable)
\$15/\$30	Credit Report Fee (single/partners)
\$25	Bank Wire Fee (if applicable)
Variable	Interim Interest (accumulated between closing and start of payment cycle)
\$18	Flood Determination
Variable	Environmental Testing (depends on level of screening: \$375 – \$1,925)
Variable	Appraisal (residential or commercial and other factors determine cost)
Variable	Construction Monitoring (off-territory \$1,000 initial packaging cost, plus \$500/draw)
Variable	Any other necessary closing fees or increases in fee costs

### *Maintenance Fees*

\$30	Returned Check fee
\$25	Late Payment fee
\$20	UCC Filing Extension fee (after 5 years)