

# Community Reinvestment Fund, USA

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 [web.archive.org/web/20160505161110/http://www.crfusa.com/impact\\_stories/2/MNStar-Technologies](http://web.archive.org/web/20160505161110/http://www.crfusa.com/impact_stories/2/MNStar-Technologies)

## MNStar Technologies

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With jobs saved and more to come, a rural community is strengthened and families are hopeful

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### The impact

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- Saved 84 existing jobs.
- 30 new jobs estimated over three years.

"(This loan) enables us to grow and add jobs here in northern Minnesota. We're expanding the operation, and we just added more salespeople."

**-Mike Rhodes, Owner**



MNStar Technologies, located in Grand Rapids, Minnesota, manufactures sophisticated wiring harnesses and other components needed to operate sirens, lights, radios, and computers in high-tech emergency vehicles.

### The opportunity

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Mike Rhodes, an electrician turned entrepreneur, knows something about urgency. By strengthening emergency infrastructure, his firm's products quite literally save lives. When an ambulance rushes past you, siren blaring, chances are it has been equipped by MNStar.

When demand for his product line began to surge, Rhodes knew he had no time to waste. He could either ramp up production or lose market share to foreign competitors.

### The need

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Although his credit was good and his prospects excellent, Rhodes couldn't obtain conventional financing to hire additional workers and expand his facility. "It costs money to grow," Rhodes says. "And our bank has been cautious since the recession."

### The help

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CRF stepped in to help with a \$1.2 million [SBA 7\(a\) loan](#). An existing credit line was refinanced into a long-term loan that provided working capital and the funds to purchase additional equipment.

## The community

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The loan did more than enable MNStar to expand its business and keep its workers employed. Owner Mike Rhodes estimates 60% job growth over the next three years, a boom to his rural northern Minnesota town that has struggled to keep its businesses' doors open.

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