323 West Schlieman Avenue, Appleton, MN 56208

320.289.1981 www.umvrdc.org

***Application Checklist***

**Please include the following with a signed and dated application:**

**Commitment letter from banks or lenders**

**Business Plan** - This is a listing of material that must be included in your business plan

* History of Business
* Description of business structure including disclosure of all affiliates and subsidiaries
* Marketing Analysis and Strategy
* Description of Products and Process
* Three years of financial projections and pro-forma financial statements

**Collateral and Supporting Cost Documents**

* Description of collateral offered. Value must be determined through either:
1. Cost,
2. Appraisal, or
3. Depreciated tax value (book value)
* Purchase option or contract for the purchase of property (if applicable)
* Appraisal and Title Opinion (if real estate is being financed)

 **Tax Returns and Financial Reports**

* Last two years business income tax statements
* Last two years business financial reports including Income Statement and Balance Sheet
* Financial reports current within 6 months
* Schedule of all business debts, if an existing organization
* Last two years personal income tax statements (30% or greater ownership)
* Current personal financial statement (30% or greater ownership)
* Copy of a credit report with score within last 90 days of application date.

 **Business Organization Documents**

* Articles of Incorporation and By-laws or Partnership Agreement
* Corporate Resolution or Partnership Resolution stating who is authorized to incur debt for the company
* Certificate of Good Standing from State of Minnesota

**REQUIREMENTS DUE AT CLOSING**

* Copies of Life Insurance and Assignment of Collateral on principals/guarantor with UMVRDC listed as an “assignee”
* Copies of Hazard Insurance on collateral with UMVRDC listed as an additional insured and loss payee
* Personal Guaranty signed by all borrowers and spouses

**FEE NOTICE – Fees payable at closing.**

* 1% Origination Fee (e.g. $50,000 loan = $500 origination fee)
* Attorney fees for closing documents typically range between $500 – $1,000

**FEE NOTICE – Fees payable at loan payoff.**

* Borrower will be responsible for fees related to the release of collateral required by filing agencies securing collateral.
* Upon 30-day notice of your final payment on the loan, the cost of releasing collateral will be included in your final invoice (e.g. MN Secretary of State fee for releasing a UCC = $20)

*I certify I have read the UMVRDC loan application and that all statements made in this application are an accurate representation of my financial condition on this date and are made for the purpose of obtaining the loan indicated.*

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

AUTHORIZED SIGNATURE DATE

***Basic Information***

**Applicant/Business Name:** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Address: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Phone: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

City: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ State: \_\_\_\_\_\_\_ Zip: \_\_\_\_\_\_\_

**Contact Person:** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_Email: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Type of Business:** Sole Proprietorship Corporation Partnership
Other (specify)

**Federal EIN: Tax ID: NAICS Code:**

**Officers of Corporation or other entity:**

**President:** **Vice President:**

**Treasurer:** **Secretary:**

**Major Principals/Partners/Proprietors** (Provide for each owning 30% or more of the business. If additional space is needed, please attach to this application.)

 **Name:**

 **Address:**

 **City, State, Zip:**

 **Telephone:**

 **% Ownership:**

Please include current personal financial statement, signed and dated, and two most recent personal Federal income tax returns for each majority owner.

**Brief description of the business the applicant is engaged in:**

 ***Project Description***

**Amount of Loan Requested: $** **Total Cost of Project: $**

**Describe project for which applicant is seeking funding:**

**Specify what financing gap exists (i.e. inadequate bank financing) and explain why it causes a need to apply for this loan:**

***Project Financing Summary***

**Use of Funds**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Bank** | **Equity** | **Upper Minnesota Valley RLF** | **Other** | **Other** | **Other** | **TOTAL** |
| Real Estate |  |  |  |  |  |  |  |
| New Construction |  |  |  |  |  |  |  |
| Machinery & Equip |  |  |  |  |  |  |  |
| Working Capital |  |  |  |  |  |  |  |
| Inventory |  |  |  |  |  |  |  |
| Other |  |  |  |  |  |  |  |
| **TOTAL** |  |  |  |  |  |  |  |

**Supporting Cost Documents (please attach)**

The costs of the project must be supported by firm construction bids, purchase options or contracts for the purchase of property.

Primary Lender: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Contact: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Phone: \_\_\_\_\_\_\_\_\_\_\_\_\_\_

Gap Financing Agency: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Contact: \_\_\_\_\_\_\_\_\_\_\_\_\_\_ Phone: \_\_\_\_\_\_\_\_\_\_\_\_\_\_
(if applicable)

**Source of Funds and Proposed Financing Terms**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Bank** | **Equity** | **UMV RLF** | **Other**  | **Other** | **Other** | **TOTAL** |
| Amount | $ | $ | $ | $ | $ | $ | $ |
| % of Project | % | % | % | % | % | % | 100% |
| Term (years) | yrs | yrs | yrs | yrs | yrs | yrs |  |
| Interest Rate | % | % | % | % | % | % |  |
| Monthly Debt Service | $ | $ | $ | $ | $ | $ | $ |
| Collateral Offered |  |  |  |  |  |  |  |
|  Asset |  |  |  |  |  |  |  |
|  Value of Asset | $ | $ | $ | $ | $ | $ | $ |
|  Lien Position |  |  |  |  |  |  |  |
|  Asset |  |  |  |  |  |  |  |
| Value of Asset | $ | $ | $ | $ | $ | $ | $ |
|  Lien Position |  |  |  |  |  |  |  |

***Employment Summary***

Please indicate the company representative who should be contacted to follow up on the employment information.

Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_ Phone: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

***Proposed Employment Information*** (If additional space is needed, please attach to this application.)

Provide the following information on the jobs you expect to create and/or retain due in part to the loan from the Upper Minnesota Valley RLF. Created jobs are new jobs projected within **two years** of project completion. Retained jobs are those that would be lost without this project financing.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Job Title** |  |  |  |  |
| **Number of Jobs Created** |  |  |  |  |
| **Number of Jobs Retained** |  |  |  |  |
| **Hourly Wage / Salary** |  |  |  |  |
| **Permanent or Temporary** | Perm or Temp | Perm or Temp | Perm or Temp | Perm or Temp |
| **Full Time or Part Time** | FT or PT | FT or PT | FT or PT | FT or PT |

***Application Certification***

I certify that I have read the application checklist and that all statements made in this application and in supporting documents are an accurate representation of my business and financial condition on this date and have been made for the purpose of obtaining the loan indicated. Verification and re-verification of any information contained in this application may be made at any time by the Upper Minnesota Valley Regional Development Commission (UMVRDC) Revolving Loan Fund (RLF), its agents, successors and assigns, either directly or through a credit reporting agency or another source named in this application at any time while checking the creditworthiness of this loan, or if approved, at any time while said loan has an outstanding balance due.

Authorized Signature Date

Authorized Signature Date



**U.S. Department of Commerce EDA JOB NON-RELOCATION FORM**

1. As a part of this project will jobs be moved from one location to another?

If yes, how many and what is the new location?

2. Are any employees losing their job as a result of this project and UMVRDC RLF funding?

3. If a business has multiple locations:

Does the business plan to shutdown any of its locations now or in the future?

If so, where and why?

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ has not recently and does not plan to reduce the number of
 (Business Name)
jobs at any of its locations as a result of the project identified in the UMVRDC RLF application and/or will not use of UMVRDC RLF funding for these purposes.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

APPLICANT SIGNATURE DATE

**ASSURANCE OF BENEFIT TO LOW-INCOME PERSONS**

By submitting this loan application, the applicant agrees to:

 1. A commitment that it will create the new jobs identified above within two years after the UMVRDC RLF loan is made.

 2. A commitment to retain those jobs identified as retentions for at least three years after the UMVRDC RLF loan is made.

 3. A commitment that it will make available the positions for low-income persons by documenting that the following steps were or will be taken.

 a. The skill level of the jobs available will met that of the general low-income population; and

 b. The education and experience required meets that of the low-income population; and

 c. The training provided by the employer, if training is needed, will make the jobs available to the low-income population; and

 d. That advertising, recruitment and other outreach efforts are made to contact and involve the low-income population by notifying appropriate Job Training offices of the positions which will be available.

 4. Provide information, as requested, to the UMVRDC documenting the creation or retention of jobs.

I certify the above information and the statements contained herein or attached hereto are a true and accurate statement of the financial condition of the business and its principals. I also certify that the business is current on all of its federal and state taxes.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

APPLICANT SIGNATURE DATE

**ENVIRONMENTAL REVIEW**

1. Will the proposed project result in the loss or destruction of any wetland?

 Yes No

 If yes, please explain.

2. Is your property located in a 100-year floodplain?

 Yes No

3. Will the proposed project result in the loss of any agricultural land from production?

 Yes No

 If yes, please explain.

4. To the best of your knowledge, is the property you are considering on the historic register or being considered to be put on the historic register at this time?

 Yes No

 If yes, please explain.

5. Have there been any hazardous materials such as EPA listed (see 40 CFR 300), hazardous substances, leaking underground storage tanks, asbestos, polychlorinated biphenyls (PCB), or other hazardous materials on site that have been improperly handled or have the potential of endangering public health?

 Yes No

 If yes, please explain.

6. Are there any other environmental factors that need to be considered prior to this project receiving funding?

 Yes No

 If yes, please explain.

**STATEMENT OF UNDERSTANDING**

This understanding begins the day my application is submitted to the UMVRDC and must be signed and included with the application packet. No application will be reviewed without a signed copy of this understanding. By signing this statement, I understand the following:

1. Borrower will be required to attend the Loan Advisory Board meeting which occurs on the second Monday of each month.
2. Monthly payments are made by electronic transfer (ACH payment).
3. Loans can close within three months of notice of award.
4. Payment within 60 days of closing.
5. All loans must be secured with available assets, inventory, real estate.
6. Further security will be provided by a personal guarantee signed by all owners and spouses.
7. A one percent (1%) origination fee of $1,000 and any attorney fees for closing documents and filing fees are due at the time of closing.
8. Life insurance for borrower(s) in an amount equal to the loan is assigned and provided to the Lender at the time of closing and maintained for the life of the loan.
9. A business insurance policy listing the Lender as loss payee is provided at the time of closing and maintained for the life of the loan.
10. My application will not be funded unless all other funding sources identified in the application agree to fund the project. If these sources cannot be secured, the UMVRDC has the right to review the project again making their previous decision null and void.
11. The Lender shall call the loan and demand payment in-full from the Borrower if it is determined that the Borrower used the loan to relocate jobs into the eligible lending area (Region 6W counties of Big Stone, Chippewa, Lac qui Parle, Swift and Yellow Medicine) from another commuting area (commuting area is that area defined by the distance people travel to work in the locality of the financed activity), or the activity financed is moved/relocated to a different commuting area to the detriment of local workers.
12. The Lender shall call the loan and demand payment in-full from the Borrower if it is determined that the loan activity financed is moved/relocated outside of the eligible lending area.
13. All required loan documents are signed at the time of closing.
14. If the UMVRDC agrees to fund my project and it takes more than three months to close the loan, due to my own delay or others, I must at the Loan advisory Board’s request resubmit the application for board action. The previous decision of the board will become void if the applicant is required to resubmit.
15. Job creation and retention occurs, at a minimum, as stated in the application.
16. All terms, conditions and provisions of the signed loan application are followed including, but not limited to, compliance to Davis-Bacon wage requirements (if applicable), EDA’s non-relocation requirements, Civil Rights Act requirements and assurance of benefits to low-income persons.

BORROWER(S) SIGNATURE(S) DATE


# DATA PRIVACY DISCLOSURE

The data which you supply to the UMVRDC Revolving Loan Fund will be used to access your firm’s qualifications for a business loan. We will not be able to process your financial application without it. There is a possibility this data might constitute a public record if and when a loan is approved, and at that time the data may be examined by anyone.

I have read the above statement and I agree to supply the data to the UMVRDC Revolving Loan Fund Loan Advisory Board with full knowledge of the information provided in that statement.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

APPLICANT SIGNATURE DATE

**CERTIFICATION OF COVID RELIEF FUNDING**

Have you or your business received COVID-19 pandemic funds because of COVID-19 related expenses or loss of revenue?

 \_\_\_ Yes \_\_\_ No

If so, please check all funding sources applied for:

 \_\_\_ Federal PPP \_\_\_ Federal EIDL \_\_\_ MN SBEL \_\_\_ MN SBRG

Has the COVID-19 pandemic financially affected your business, if so, how?

I declare that the information provided is complete to my knowledge. I understand that the Upper Minnesota Valley Regional Development Commission (UMVRDC) has the right to verify any information contained in this application and may contact any individuals and agencies involved.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

APPLICANT SIGNATURE DATE

**MARKETING AND REPORTING DISCLOSURE**

Please be advised that as an applicant/borrower of the Upper Minnesota Valley Regional Development Commission, I hereby give permission for the UMVRDC to request and/or share information.

I give permission for the UMVRDC to announce the accomplishments of my business and to use my name, business name, and location for reports and promotional purposes, including but not limited to, press releases, videos, email blasts, brochures, newsletters, UMVRDC website and social media pages, and general UMVRDC publications. I further give the UMVRDC permission to use my image (photographs and/or video) for reports and promotional purposes.

I understand that the information provided to the public will be general in nature and will not disclose financial information related to my venture.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

APPLICANT SIGNATURE DATE