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Application Checklist

In order to save your work in this document, be sure you are filling it out in Adobe.

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

Commitment letter from bank(s) or lender(s)

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

History of business

Description of business structure listing all affiliates and subsidiaries

Marketing analysis and strategy

Description of products and process

Three years of financial projections and pro-forma financial statements (for borrower(s) and all guarantor(s))

Collateral and Supporting Cost Documents

Description of collateral offered (include full legal description, if applicable). Value must be determined through either:

- i. Cost,
- ii. Appraisal, or
- iii. Depreciated tax value (book value)

Signed purchase agreement for the purchase of property (if applicable)

Appraisal and Final Title Opinion (if real estate is being financed)

Supporting invoice for purchase of equipment (if applicable)

Tax Returns and Financial Reports

Last two years of Business Income Tax Return (include all K-1's)

Last two years of Business Financial Statements - Income (Profit and Loss) Statement and Balance Sheet

Current Business Financial Statements - Income (Profit and Loss) Statement and Balance Sheet within 6 months

Schedule of all business debts (if an existing organization). Please include the following:

- Interest Rate
- Payment Amount
- Maturity Date
- Payable To
- Current Balance

For all owners that have 30% or greater ownership, we need the following financial information:

- Last two years of Personal Income Tax Returns (include all K-1's)
- Current Personal Financial Statement
- Copy of a Credit Report from the past 90 days (including score)

Business Organizational Documents

Articles and Bylaws of Incorporation or Limited Liability Corporation

Resolution stating who is authorized to incur debt (copy of minutes)

Current Certificate of Good Standing from State of Minnesota

REQUIREMENTS TO BE COMPLETED FOR LOAN CLOSING

- List UMVRDC as an assignee on Life Insurance for guarantor(s) (copy required at closing)
- List UMVRDC as an additional insured and loss payee on Business/Equipment and/or Property Insurance (copy required at closing)

Require Personal Guaranty by all borrower(s) and spouse(s).

FEES DUE AT LOAN CLOSING

- 1% Origination Fee (e.g. \$50,000 loan = \$500 origination fee)
- Attorney fees for closing documents typically range between \$500 – \$3,000

FEES DUE AT LOAN PAYOFF

- Upon a 30-day notice, UMVRDC will send your final payment notice on the loan with the cost of releasing collateral (e.g. MN Secretary of State fee for releasing a UCC = \$20, Mortgage Satisfaction Fee = \$46)

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.

Applicant Signature

Date

Applicant Signature

Date



All Applications are Due the Second Monday of Each Month

Applicant/Business Name: _____

Address: _____ **Phone:** _____

City: _____ **State:** _____ **Zip:** _____

Contact Person: _____ **Email:** _____

Type of Business: Sole Proprietorship Corporation Partnership Limited Liability Corp
Other (specify)

Date Established:

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

Officers of Corporation or other entity:

President: _____ **Vice President:** _____

Treasurer: _____ **Secretary:** _____

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

Name:

Address:

City, State, Zip:

Telephone:

% of Ownership:

Please include the following for each of the above listed owners: 1.) current Personal Financial Statement (signed and dated), 2.) the last two years of Personal Income Tax Returns

Brief description of the business the applicant is engaged in:

In the last 10 years, has the borrower or guarantor applied for Bankruptcy? Yes No

Is the borrower or guarantor a 30% owner in any other affiliate or subsidiary of a business? Yes No

If yes, list affiliate or subsidiary of a business:

Project Description

Amount of Loan Requested: \$

Total Cost of Project: \$

Payments need to start within 60 days of the loan closing. Payments are made by ACH. Choose which payment date you would want your payments on: 1st of the month 15th of the month

Describe the purpose 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:

Business Financial Statement (non-applicable for start-up businesses)

ASSETS	
CASH	
ACCOUNTS RECEIVABLE	
INVENTORIES	
PREPAID EXPENSES	
OTHER CURRENT ASSETS	
TOTAL CURRENT:	
BUILDINGS & LAND	
M&E, F&F & OTHER ASSETS	
LESS ACCUMULATED DEPRECIATION	
NET FIXED ASSETS:	
OTHER ASSETS:	
DUE FROM STOCKHOLDER	
OTHER: Cash Value Life Ins., Sub. Investment, Deposits	
ORGANIZATIONAL COSTS (NET)	
GOODWILL	
TOTAL ASSETS:	

LIABILITIES & OWNER'S EQUITY	
LINE OF CREDIT (revolving)	
CURRENT PORTION LT DEBT	
ACCOUNTS PAYABLE	
ACCRUALS	
INCOME TAXES PAYABLE	
OTHER (list debt 1 year or less)	
TOTAL CURRENT LIABILITIES:	
Long Term (list debt over 1 year)	
SHAREHOLDER OFFICER DEBT	
OTHER : Capital Lease Obligations	
TOTAL LIABILITIES:	
COMMON STOCK	
CAPITAL SURPLUS/PAID IN CAPITAL	
RETAINED EARNINGS	
CURRENT EARNINGS	
TOTAL EQUITY:	
TOTAL LIABILITIES & EQUITY:	

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 for Loan Request

	Bank	Owner Equity	UMVRDC RLF	Other	Other	Other	TOTAL
Amount	\$	\$	\$	\$	\$	\$	\$
% of Project	%	%	%	%	%	%	100%
Term (years)	yrs	yrs	yrs	yrs	yrs	yrs	
Interest Rate	%	%	%	%	%	%	
Proposed Monthly Debt Payment	\$	\$	\$	\$	\$	\$	\$

Statement of Collateral Offered for Loan Request

Asset							
Value of Asset	\$	\$	\$	\$	\$	\$	\$
Source of Value							
Lien Position							
Asset							
Value of Asset	\$	\$	\$	\$	\$	\$	\$
Source of Value							
Lien Position							

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				
Full Time or Part Time				

Employment Summary

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

Name: _____ Title: _____ Phone: _____

Non-Discrimination Requirements

No person in the United States must, on the ground of race, color, national origin, handicap, age, religion, or sex, be excluded from participation in, be denied the benefits of, or be subject to discrimination under, any program or activity receiving Federal financial assistance. The recipient agrees to comply with the non-discrimination requirements below:

a. Statutory Provisions

- 1. Title VI of the Civil Rights Act of 1964 (42 U.S.C. §§ 2000d et seq.) and DOC implementing regulations published at 15 C.F.R. Part 8 prohibiting discrimination on the grounds of race, color, or national origin under programs or activities receiving Federal financial assistance;
- 2. Title IX of the Education Amendments of 1972 (20 U.S.C. §§ 1681 et seq.) prohibiting discrimination on the basis of sex under Federally assisted education programs or activities;
- 3. The Americans with Disabilities Act of 1990 (42 U.S.C. §§ 12101 et seq.) prohibiting discrimination on the basis of disability under programs, activities, and services provided or made available by State and local governments or instrumentalities or agencies thereto, as well as public or private entities that provide public transportation;
- 4. Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794), and DOC implementing regulations published at 15 C.F.R. Part 8b prohibiting discrimination on the basis of handicap under any program or activity receiving or benefiting from Federal assistance.

For purposes of complying with the accessibility standards set forth in 15 C.F.R. § 8b.18(c), non-federal entities must adhere to the regulations, published by the U.S. Department of Justice, implementing Title II of the Americans with Disabilities Act (ADA) (28 C.F.R. part 35; 75 FR 56164, as amended by 76 FR 13285) and Title III of the ADA (28 C.F.R. part 36; 75 FR 56164, as amended by 76 FR 13286). The revised regulations adopted new enforceable accessibility standards called the "2010 ADA Standards for Accessible Design" (2010 Standards), which replace and supersede the former Uniform Federal Accessibility Standards for new construction and alteration projects;

- 5. The Age Discrimination Act of 1975, as amended (42 U.S.C. §§ 6101 et seq.), and DOC implementing regulations published at 15 C.F.R. Part 20 prohibiting discrimination on the basis of age in programs or activities receiving Federal financial assistance; and
- 6. Any other applicable non-discrimination law(s).

Application Certification

I certify that I have read the application checklist and that all statements made in this application and in supporting documents are a true and accurate representation of my business and financial condition to the best of my ability 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.

Applicant Signature

Date

Applicant 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? Yes No

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

2. Are any employees losing their job as a result of this project and UMRDC 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 UMRDC RLF application and/or will
not use of UMRDC RLF funding for these purposes.

Applicant Signature

Date

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

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? (If so, include a copy of a flood certificate)
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, was an environmental review completed? Yes (submit a copy) No

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 UMRDC 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(s) signed by all owners and spouses.
7. A one percent (1% per loan amount) origination fee of \$1,000 and any attorney fees for closing documents and filing fees are due at the time of closing.
8. Provide an assignment to the UMRDC of life insurance for borrower(s) in an amount equal to the loan to the Lender at the time of closing and must be maintained for the life of the loan.
9. A business equipment and/or property insurance policy listing the UMRDC 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 UMRDC has the right to review the project again making their previous decision null and void.
11. The UMRDC shall call the loan and demand payment in-full from the Borrower(s) if it is determined that the loan activity financed is moved/relocated outside of the eligible lending area.
12. All required loan documents are signed by all Borrower(s) and Guarantor(s) at the time of closing.
13. If the UMRDC 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.
14. Job creation and retention occurs, at a minimum, as stated in the application.
15. 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.
16. Financial Statement - Current financial statements, including operating figures, will be required no less than annually or no less frequently than required by other creditors.
17. Interest Rates – The RLF may make loans to eligible borrowers at interest rates and under conditions determined by the RLF Advisory Board to be appropriate in achieving the goals of the RLF. The RLF has a dual interest rate floor where the interest rate charge generally cannot be less than the lower of four (4) percent or seventy five (75) percent of the prime interest rate listed in the Wall Street Journal. However, should the prime interest rate listed in the Wall Street Journal exceed fourteen (14) percent, the minimum RLF interest rate is not required to be raised above ten (10) percent if doing so compromises the ability of the RLF to implement its financing strategy.
18. Hold Harmless Provision: All RLF loan documents and procedures must protect and hold the Federal government harmless from and against all liabilities that the Federal government may incur as a result of providing an Award to assist (directly or indirectly) in site preparation or construction, as well as the direct or indirect renovation or repair of any facility or site. These protections apply to the extent that the Federal government may become potentially liable as a result of ground water, surface, soil or other natural or man-made conditions on the property caused by operations of the Recipient or any of its borrowers, predecessors or successors.

Applicant(s) Signature(s)

Date



DATA PRIVACY DISCLOSURE

The data which you supply to the UMRDC 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 UMRDC Revolving Loan Fund Loan Advisory Board with full knowledge of the information provided in that statement.

Applicant Signature

Date

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

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 UMRVDC to request and/or share information.

I give permission for the UMRVDC 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, UMRVDC website and social media pages, and general UMRVDC publications. I further give the UMRVDC 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

Applicant Signature

Date