

# **Lawrence County Revolving Loan Fund**

## **Application Information**

## **Lawrence County Revolving Loan Fund Application Information**

Black Hills Community Economic Development, a private non-profit corporation, governs the Lawrence County Revolving Loan Fund. The fund was established to assist community projects, new and expanding business within Western South Dakota. The Fund works closely with local banks, other loan funds, state and federal agencies in financing projects. A completed application form will assist the Fund to evaluate the proposed project and make recommendations to the loan committee.

The Fund generally requires a minimum of 10% equity contribution from an applicant and participation (depending on the loan type) of a commercial lender. The Fund cannot finance more than 75% of total project costs. A commercial or other lender generally finances the balance of the project.

If loan funds are committed, they must be used within 60 days. If funds are not used within 60 days, interest will accrue at the rate specified for your loan or the funds will be returned to the Black Hills Community Economic Development.

The Fund encourages applicants to apply for financing through local financial institutions and other loan funds – local, regional, state and federal programs, and may require documentation from a financial institutions that it cannot finance the entire project, thus creating the need for a partner (the Fund) to participate in a loan to make the project successful.

In addition to this application, the applicant is also asked for additional information, which includes a business and financial information and supporting documents (see following page. A non-refundable application fee of \$100 is payable at the time an application is submitted. After Fund review, the Loan Review Board of Directors will review it and make a recommendation to the Board of Directors, which makes the final decision. The applicant will be responsible for all closing costs associated with their loan.

You and your business are assured privacy. Financial information and any trade secrets that you may have will be held in confidence and considered as needed in executive session or at meetings that are closed to the public and deemed confidential pursuant to state law.

For New Construction or Remodel/Expansion projects, the applicant must have approval from the loan committee prior to beginning the project. Failure to do so will jeopardize loan fund eligibility.

For assistance completing this application package contact the Small Business Development Center (SBDC) at 394-5311.

For more information, please contact your local electric cooperative, Chamber of Commerce or call (605) 394-1706. Staff may provide information and assistance, but has no loan making authority under this program.

## Lawrence County Revolving Loan Fund Application Checklist

Copies of all items marked below must be submitted to the Lawrence County Revolving Loan Fund before final action can be taken on your loan request.

\_\_\_\_\_ Application

### **Business Financial Data** (necessary to make loan recommendation)

- \_\_\_\_\_ Business Plan
- \_\_\_\_\_ Balance Sheet, Income Statements, and Cash Flow Statement of business – past (3) three years
- \_\_\_\_\_ Projected Balance Sheet, Income Statement, and Cash Flow Statement for next (3) years (Preferably use the SBDC Proforma Template)
- \_\_\_\_\_ Interim financial statements (current within 60 days)
- \_\_\_\_\_ Business tax returns for past (3) three years
- \_\_\_\_\_ Personal tax returns of principal owners (over 20%) for past (3) three years
- \_\_\_\_\_ Personal Financial Statement(s) of the principal owners (over 20%), current and signed
- \_\_\_\_\_ Cost estimates on real estate, construction and equipment purchases
- \_\_\_\_\_ Preliminary building plans and specifications
- \_\_\_\_\_ Lease Agreement
- \_\_\_\_\_ Summary of Collateral
- \_\_\_\_\_ Collateral Position(s) of all lenders identified in the application
- \_\_\_\_\_ Bank Denial Letter – establishing need for additional funds, if applicable
- \_\_\_\_\_ Bank Commitment Letter and/or letter identifying other funding sources
- \_\_\_\_\_ Corporate Resolution giving authority to borrow funds and execute loan documents, if applicable
- \_\_\_\_\_ Verification of corporation status
- \_\_\_\_\_ \$100.00 Non-refundable application fee payable to Lawrence County Foundation

### **Supporting Documents** (necessary to process loan)

- \_\_\_\_\_ Resume of Principal(s) (normally those with 20% ownership or more)
- \_\_\_\_\_ Articles of Incorporation/By-Laws, if corporation
- \_\_\_\_\_ Partnership Agreement, if partnership
- \_\_\_\_\_ Franchise Agreement
- \_\_\_\_\_ Certificate of Good Standing
- \_\_\_\_\_ Purchase Agreement
- \_\_\_\_\_ Buy-Out Arrangement
- \_\_\_\_\_ Project or real estate appraisal
- \_\_\_\_\_ Proof of Insurance on business/premises
- \_\_\_\_\_ Site map or photo of the project

## Lawrence County Revolving Loan Fund Application Form

Please type or print clearly. Be sure to fill in each blank and answer each question. If not applicable, mark N/A and explain. If there is not enough room, attach additional sheets. Financial data and supplemental information as noted on the Applicant Checklist is required prior to loan review.

Applicant Name(s): \_\_\_\_\_

Business Name: \_\_\_\_\_

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

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

Legal Description of Project: \_\_\_\_\_

Veteran Status: \_\_\_\_\_

Family Military or Veteran Status: \_\_\_\_\_

Project Classification:        \_\_\_\_\_ Infrastructure        \_\_\_\_\_ Community  
   \_\_\_\_\_ Retail        \_\_\_\_\_ Manufacturing (light)        \_\_\_\_\_ Manufacturing (heavy)  
   \_\_\_\_\_ Back Office        \_\_\_\_\_ Wholesale Distributor        \_\_\_\_\_ Home-Based Business  
   \_\_\_\_\_ Other: ( \_\_\_\_\_ )

Date Business Established: \_\_\_\_\_

Employer ID#: \_\_\_\_\_ Owner Soc. Sec. No. \_\_\_\_\_

Amount Requested: \_\_\_\_\_ Purpose: \_\_\_\_\_

Collateral Offered: \_\_\_\_\_

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1. **DESCRIBE YOUR BUSINESS:** (legal structure, ownership, primary business activity, management experience and any subsidiaries, divisions of major outside investment by company or owners.) Attach additional pages as necessary.

2. **DESCRIBE THE PROPOSED PROJECT:** (include previous experience that supports successful achievement) Attach additional pages as necessary.

### 3. SOURCES AND USES OF FUNDS

#### Proposed Sources of Funds

Amount applied for from the Fund: \_\_\_\_\_  
Amount applied for from Bank: \_\_\_\_\_  
Amount applied for from State Funds: \_\_\_\_\_  
Amount applied for from regional/local loan funds: \_\_\_\_\_  
Amount applied for from other: \_\_\_\_\_  
Owner's Equity (include source information) \_\_\_\_\_  
**TOTAL SOURCE OF FUNDS:** \$ \_\_\_\_\_

#### Proposed Uses of Funds (include all costs associated with project).

Land \_\_\_\_\_  
Land Improvements \_\_\_\_\_  
Purchase or Remodeling Building \_\_\_\_\_  
New Construction \_\_\_\_\_  
Machinery & Equipment (attach list and cost) \_\_\_\_\_  
Furniture & Fixtures (attach list and cost) \_\_\_\_\_  
Working Capital \_\_\_\_\_  
Inventory \_\_\_\_\_  
Accounts Receivable \_\_\_\_\_  
Other (specify) \_\_\_\_\_  
**TOTAL USES OF FUNDS:** \$ \_\_\_\_\_

Please specify the source of the borrower's equity injection:

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### 4. PARTICIPATING, SERVICING OR SPONSORING LENDER: (if more than one continue on back).

Lender Name: \_\_\_\_\_

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

City: \_\_\_\_\_ Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

Business Account Number: \_\_\_\_\_

Amount of Loan requested for this project: \_\_\_\_\_

Term: \_\_\_\_\_ Interest Rate: \_\_\_\_\_

Contact Person: \_\_\_\_\_

Participating Lending Comments:

The Primary objective of the Fund is to assist projects that contribute to rural development, job retention and/or creation, improve rural infrastructure and meet unmet needs in rural areas resulting in the creation of new wealth. In this objective, the Fund participates with financial institutions and other lenders to maximize the available capital for development projects. The Fund may require that the applicant have a commitment from a lender prior to applying for funds. Approval of a loan may be contingent upon this agreement.



Has the company or any officers of the company ever been involved in bankruptcy proceedings?  yes  no

If Yes, explain \_\_\_\_\_

Is the company or any officer of the company involved in any pending lawsuits?  yes  no

If Yes, explain \_\_\_\_\_

### **Information for Government Monitoring Purposes**

The following information is requested by the Federal Government for certain types of loans in order to monitor the Lender's compliance with equal credit opportunity. You are not required to furnish this information, but are encouraged to do so. The law provides that a Lender may neither discriminate on the basis of this information, nor on whether you choose to furnish it. However, if you choose not to furnish it, under Federal regulations this Lender is required to note race and sex on the basis of visual observation or surname. If you do not wish to furnish the above information, please check the box below. (Lender must review the above material to assure that the disclosures satisfy all requirements to which the Lender is subject under applicable state law for the particular type of loan applied for.)

#### **Applicant #1**

I do not wish to furnish this information

#### **Race/National Origin**

(select one or more)

American Indian or Alaska Native  
(not Alaskan)

Black or African American

Asian

Hispanic or Latino

Native Hawaiian or Pacific Islander

White

Other (specify) \_\_\_\_\_

#### **Sex:**

Male

Female

Attachments:

1. Documents specified on the attached Applicant Checklist
2. **Loan Application Fee. The application fee is \$100. Please attach payment.**
3. **Loan Service Fee. The loan service fee is 1.5% of the loan amount.**  
 Payable at Closing Amount: \_\_\_\_\_  
 Deducted form loan check. Amount: \_\_\_\_\_
4. Confidential Credit and Background Report Certification (attached)

#### **Applicant #2**

I do not wish to furnish this information

#### **Race/National Origin**

(select one or more)

American Indian or Alaska Native  
(not Alaskan)

Black or African American

Asian

Hispanic or Latino

Native Hawaiian or Pacific Islander

White

Other (specify) \_\_\_\_\_

#### **Sex:**

Male

Female

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Black Hills Community Development, Inc. believes that business forecasting and planning is the key to operating a successful business enterprise. For this reason, the loan Committee requires that all applicants complete a business plan, including financial history and projections. If you have already completed a business plan for your operation, please submit it with a completed application form.

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The applicant recognizes that the Fund may not process an application that is not complete. Incomplete applications will be returned to the applicant for completion.

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All information provided in schedules attached hereto are true and complete to the best knowledge and belief to the applicant and there is no intent to deceive or defraud the Fund or any potential participant in any loans to finance the project.

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NAME OF APPLICANT COMPANY: \_\_\_\_\_

NAME OF AUTHORIZED OFFICIAL: \_\_\_\_\_

TITLE OF AUTHORIZED OFFICIAL: \_\_\_\_\_

SIGNATURE: \_\_\_\_\_ DATE: \_\_\_\_\_

## CONFIDENTIAL CREDIT AND PERSONAL BACKGROUND REPORT

The Lawrence County Revolving Loan Fund will obtain at its own expense a credit report and personal background check on the applicant(s). The Lawrence County Revolving Loan Fund will comply with all provisions of the Fair Credit Reporting Act (15 USC 1681 et seq.). The Lawrence County Revolving Loan Fund will not disclose any part of any credit report or background check to anyone except authorized individuals, which may include the financial institution or lending agency (if any) agreeing to participate with the Lawrence County Revolving Loan Fund.

### CERTIFICATION

I/We hereby certify that the information contained on this application and the attachments are correct to the best of my/our knowledge.

I/We hereby certify that I/we have read, understand and agree to the terms and conditions of the Lawrence County Revolving Loan Fund.

I/We grant The Lawrence County Revolving Loan Fund the authorization to make all inquiries, including, but not limited to credit, deemed necessary to verify the accuracy of the statements made herein with this application.

Name	Signature	Date

Name	Signature	Date

Name	Signature	Date

## **BLACK HILLS COMMUNITY ECONOMIC DEVELOPMENT**

Black Hills Community Economic Development, Inc. is an equal Employment Opportunity Employers. Discrimination because of gender, race, color, religion, national origin, age, disability or veteran's status is prohibited. The Corporation recruits, hires, trains, and promotes the most qualified persons into all levels without regard to age, race, color, religion, national origin, gender, or disability (except where disability and gender are bonafide occupational qualification).

Likewise, Black Hills Community Economic Development, Inc. does not discriminate in its educational programs on the basis of race, gender, color, religion, national origin, or disability.

Inquires concerning the application of Title VI, Title IX, or Section 504 may be referred to Gloria Pluimer, EEO Officer for the Black Hills Community Economic Development, Inc., at P.O. Box 218, Sturgis, SD 57785-0218 or to the Regional Director, Department of Education, Office of Civil Rights, 1961 Stout Street, Denver, CO 80294.