

Six County Loan Application Checklist

Who is eligible? For-Profit Businesses Located Only in Faribault, LeSueur, Martin, Sibley, Waseca, and Watonwan Counties

Terms:

- \$10,000 minimum / \$60,000 maximum amounts _____
- Minimum 6% interest _____
- Types of businesses: Manufacturing, Service, Retail, Distribution, Value-added Agriculture _____
- Uses: Real estate (up to 20 years), machinery & equipment (15 years), working capital (5 years) _____
- Up to one-third of the project cost may be financed through this program _____
- One job created for each \$10,000 funds dispersed _____
- Request must be for “legal purpose” and meet all zoning regulations _____

Required documents:

- Business & Marketing Plans; including resumes _____
- Business Financial Statements; including Balance Sheets, Profit & Loss Statements, along with Notes _____
- Personal Financial Statement(s) < 20% investors _____
- Financial Projections; Three- Year Pro Formas _____
- Bank Rejection Letter or Knowledge of Reasons for Rejection _____
- Corporate and Personal Tax Returns (past 2- 3 years) _____
- Project Estimates/ Invoices/ Appraisals _____
- Bankruptcy- full explanation _____
- Credit Reports _____
- Life Insurance Policy (for major stakeholders) _____
- Personal Guarantee(s) _____

Approval Considerations:

Preferred that owners/ investors are residents in the 6 counties and business MUST be located in the counties of the loan program. _____

Jobs would be Created / Retained for the Unemployed and / or Underemployed _____

Jobs Filled Using Local Residents _____

Type of Business Would Help to Diversify the Local Economy (i.e. manufacturing, distribution, ag-processing, etc.) _____

Business Will Use Local Sources of Supply for Raw and / or Semi-Finished Materials to the Greatest Extent Possible _____

Business Would Sell Goods and / or Services Outside of the Region _____

Local Property Tax Base Will be Enhanced by Adding Market Value to Real Property _____

Construction Projects Must Pay Davis-Bacon Wage Levels _____

If approved:

1 ½% Origination Fee Paid to R9 Due at Closing _____

\$600 Processing/ Legal Fee Paid to R9 at Closing _____

Hazard Insurance on the Collateral, naming Region Nine Revolving Loan Fund as Loss Payee, and Proof of Workman's Compensation Insurance Must be Provided _____

Loan Recipients Will be Required to Fill Out Semi-Annual Reports on Number of Jobs Created and/or Retained