

# Cherokee Area Economic Development Corporation Revolving Loan Fund Application for Financial Assistance

- Please DO NOT staple, tape, paper clip, or bind in any way, any of the pages in this application and/or inserts.
- Please make nine (9) copies of the entire application and inserts and deliver to the Cherokee Area Economic Development Corporation office at 201 W. Main St., Cherokee, IA 51012

## I. BASIC INFORMATION

Name of business: \_\_\_\_\_

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

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

Business contact person: \_\_\_\_\_ Phone: ( ) \_\_\_\_\_

Fax Number: ( ) \_\_\_\_\_ Alternate Phone: ( ) \_\_\_\_\_

Federal Tax ID #: \_\_\_\_\_ (or Social Security # if a sole proprietorship)

D & B DUNS #: \_\_\_\_\_ E-mail: \_\_\_\_\_

Other contact(s)/application assistance providers:

Name:	Telephone #
_____	( ) _____
_____	( ) _____
_____	( ) _____

Type of business:

Sole Proprietorship                       Corporation                       Partnership

Have you ever filed personal or corporate bankruptcy    No  Yes  If yes, please explain

## II. NATURE OF THE LOAN REQUEST

Amount of loan request \_\_\_\_\_ Total Project Cost \_\_\_\_\_

New Business \_\_\_\_\_ Business Expansion \_\_\_\_\_

# of existing jobs \_\_\_\_\_ #of jobs created \_\_\_\_\_ # of jobs retained \_\_\_\_\_

Average Wage Per Hour \_\_\_\_\_

## III. FINANCING PURPOSE AND SOURCES

Purposes for which funds are to be used	IRP RLF	Bank #1	Bank #2	Other #1 (Specify)	State of IA (Specify)	New Equity	TOTAL
Property Acquisition	_____	_____	_____	_____	_____	_____	_____
Site Improvements	_____	_____	_____	_____	_____	_____	_____
Building Renovation	_____	_____	_____	_____	_____	_____	_____
New Construction	_____	_____	_____	_____	_____	_____	_____
Machinery & Equipment	_____	_____	_____	_____	_____	_____	_____

Working Capital	_____	_____	_____	_____	_____	_____	_____
Inventory	_____	_____	_____	_____	_____	_____	_____
Other (Specify)	_____	_____	_____	_____	_____	_____	_____
Total	_____	_____	_____	_____	_____	_____	_____

**IV. FINANCING TERMS AND CONDITIONS**

	RLF	Bank #1	Other #1 Bank #2	Other #2 (Specify)	State of IA (Specify)	Equity	TOTAL
Amount	_____	_____	_____	_____	_____	_____	_____
% of Project Costs	_____ %	_____ %	_____ %	_____ %	_____ %	_____ %	_____ %
Term (years)	_____	_____ ##	_____ ##	_____	_____	_____	_____
Interest Rates	_____ %	_____ %	_____ %	_____ %	_____ %	_____ %	_____ %
Annual Debt Service	_____	_____	_____	_____	_____	_____	_____
Collateral Offered:	_____	_____	_____	_____	_____	_____	_____
Asset	_____	_____	_____	_____	_____	_____	_____
Lien Position	_____	_____	_____	_____	_____	_____	_____
Collateral Offered:	_____	_____	_____	_____	_____	_____	_____
Asset	_____	_____	_____	_____	_____	_____	_____
Lien Position	_____	_____	_____	_____	_____	_____	_____

Participating Bank #1: \_\_\_\_\_  
 Contact Person: \_\_\_\_\_ Phone: (\_\_\_\_) \_\_\_\_\_  
 Participating Bank #2: \_\_\_\_\_  
 Contact Person: \_\_\_\_\_ Phone: (\_\_\_\_) \_\_\_\_\_  
 Other Lender #1: \_\_\_\_\_  
 Contact Person: \_\_\_\_\_ Phone: (\_\_\_\_) \_\_\_\_\_  
 Other Lender #2: \_\_\_\_\_  
 Contact Person: \_\_\_\_\_ Phone: (\_\_\_\_) \_\_\_\_\_

**V. QUESTIONS**

- A. What is the average wage rate projected to be for the new employees? \_\_\_\_\_
- B. What is the estimated annual payroll for the new employees resulting from this project? \_\_\_\_\_
- C. How many new, full-time employees will you add to the payroll within 24 months, if this projects accomplished? \_\_\_\_\_ Part-time? \_\_\_\_\_
- D. Will you agree to make a conscientious effort to hire your employees from this area when possible, paying particular attention to displaced farm families, the underemployed and the unemployed in the county?  Yes  No

- E.** Will any current employees lose their jobs if this project is not approved?  
 Yes     No
- F.** Explain why our assistance is needed and why it is not feasible to obtain assistance elsewhere (i.e. specific reasons why the project could not be or would not be accomplished without our assistance).
- G.** Is this company willing to give preference in hiring to low and moderate income persons?  Yes     No
- H.** What percentage of the company's total operating expenditures (including wages and salaries) will be spent within Cherokee County?
- I.** What percentage of the company's sales will be outside Cherokee County? \_\_\_\_\_
- J.** Are you related to any current or former \_\_\_\_\_, current or former officer of \_\_\_\_\_ Loan Review Committee member for the Revolving Loan Fund?  Yes     No

## **VI. BUSINESS PLAN OUTLINE**

- A. Executive Summary of the Company and Project**
- B. Brief History of Business**
1. Describe the past operation of the business and/or the events leading to its creation
  2. Current or proposed ownership
  3. Number of employees, average wage, benefit and training package
- C. Market Analysis and Strategy**
1. Description of current buyers and target markets (provide verification of purchase orders, contracts, etc., which relate to reasons for the loan request)
  2. Competition
  3. Pricing
  4. Distribution
  5. Advertising
  6. Sales promotion
- D. Products**
1. Description of product line
  2. Proprietary position of patents, copyrights, legal and technical considerations
  3. Comparison to competition
- E. Manufacturing Process**
1. Materials
  2. Production methods

**F. Describe the Project**

1. Describe the project to be undertaken and time line
2. Has the project started? If yes, please explain
3. Break down the number of new employees to be hired within next 24 months including average wage
4. Include construction blueprints and/or a list of equipment to be purchased as part of the project. If contractor, architect or equipment vendor have been selected, please include information on that business.

**G. Financial Statements**

1. Sources/Uses Statement for the project
2. Monthly cash flow analysis for next 12 months
3. Profit and Loss Statement: last three years and current quarter, plus two-year projection
4. Balance Sheet: last three years and current quarter, plus two-year projection
5. Schedule of existing business debt including outstanding balance, interest rate, term, maturity date, and collateral on all existing debt

**H. Statement of Proposed Collateral**

A detailed list of all collateral offered, its value, and security position by funding source

**I. Resumes and Personal Financial Statements**

Include resumes of all principals as well as current, dated, and signed personal financial statements on all principals with a significant financial interest in this business.

**J. Commitment Letters**

Include Commitment letters from banks or others which state the terms and conditions of their participation.

**K. Affiliates**

Description of any affiliates or subsidiaries of business or principals requesting assistance, as well as balance sheets and income statements for past two fiscal years on such affiliates or subsidiaries.

**L. Appraisals/Proposed Lease/Purchase Options or Agreements**

An independent appraisal will be required for any real estate which is a subject of the proposed financing or which is offered as a major source of collateral to secure the loan. Also include copies of existing or proposed lease(s), purchase options or agreements, or any other financial arrangements.

**M. Partnership Certificate of Authorization or Corporate Certificate of Authority and Incumbency**

Include minutes of the corporate meeting adopting this certification, where applicable.

**N. Other Required Documents**

1. Copy of last year's submitted business income tax statement
2. Copy of last year's submitted personal income tax statement
3. Articles of Incorporation (or Organization if L.L.C.)
4. Bylaws
5. Written verification from primary lender that project could not be funded from commercial sources – either due to underwriting guidelines, rates and/or term.
6. Evidence of payment of last quarter's payroll tax
7. Evidence of Worker's Compensation insurance coverage

**Cherokee Area Economic Development Corporation  
Revolving Loan Fund Application Checklist**

Listed below are the required documents and fees for completion of the IRP/RLF application.

- \_\_\_\_\_ Completed Application
- \_\_\_\_\_ Packaging Fee
- \_\_\_\_\_ Deposit Fee
- \_\_\_\_\_ Proof of Key-man Life Insurance
- \_\_\_\_\_ Proof of Hazard Insurance
- \_\_\_\_\_ Guide for Racial/Ethnicity and Gender Data Collection
- \_\_\_\_\_ Assurance Agreement (form RD 400-4)
- \_\_\_\_\_ Request for Environmental Information (form RD 1940-20)
- \_\_\_\_\_ DUNS number (see attached for information)

**Capital equipment list or current depreciation schedule**

- \_\_\_\_\_ List of positions or jobs to be created (i.e. 5 welders, 3 assemblers, etc.)
- \_\_\_\_\_ Business plan
- \_\_\_\_\_ Marketing plan (may be part of business plan)
- \_\_\_\_\_ Profit and loss statements (3 year historical and 2 year projections)
- \_\_\_\_\_ Balance sheets or financial statements (3 year historical and 2 year projections)
- \_\_\_\_\_ Business tax returns (3 year historical)
- \_\_\_\_\_ Letters of commitment of funds (from banks, applicant, etc.)
- \_\_\_\_\_ Description of standard fringe benefits provided to employees
- \_\_\_\_\_ Market demand summary/purchase orders
- \_\_\_\_\_ Resume of principals with personal financial statements
- \_\_\_\_\_ Company's federal identification number
- \_\_\_\_\_ Copies of company's quarterly Iowa "Employers Contribution Payroll Report" for the past year and a copy of the most recent monthly payroll register
- \_\_\_\_\_ A list of any civil or criminal violations of state or federal law which the company has been charged with or convicted of during the last five years. Please include the violations and date, the agency that charged the violation, the outcome or resolution, and any penalties or settlement terms.

**CERTIFICATION TO BE SIGNED BY APPLICANT**

The undersigned, duly authorized officers of Applicant, hereby certify that the filing of this application was duly authorized by its Board of Directors (or governing body), that the statements made in the foregoing application and in all exhibits and documents submitted in connection therewith are true and correct to be the best information and belief of the undersigned and are submitted as a basis for the loan.

Likewise, the undersigned has willfully furnished this confidential information to \_\_\_\_\_ for the purpose of applying for a loan. I understand that this information will be reviewed by RLF staff. I further understand that this information will become available to the Revolving Loan Fund Review Committee and \_\_\_\_\_. I further authorize RLF staff to be in contact with those individuals and institutions involved in the proposed project.

In addition, the undersigned also acknowledges that the loan applicant will be responsible for all “out of pocket” expenses such as, but not limited to, attorney fees, abstract charges, filing fees, appraisals and environmental reviews.

**NAME OF APPLICANT**

\_\_\_\_\_  
(Individual, general partner, trade name, corporation, or political subdivision)

By \_\_\_\_\_ Date \_\_\_\_\_

Typed Name \_\_\_\_\_

Title \_\_\_\_\_

Attest by \_\_\_\_\_

Typed Name \_\_\_\_\_

Title \_\_\_\_\_

RIGHT TO FINANCIAL PRIVACY ACT OF 1978

-NOTICE-

This Act is designed to protect your right to financial privacy. This is notice to you, as required by the Right to Financial Privacy Act of 1978, of \_\_\_\_\_ access right to financial records held by financial institutions that are or have been doing business with you or your business, including any financial institution participating in this loan or loan guaranty in connection with your loan application. The law provides that the access rights continue for the term of any approved loan without further notice as long as \_\_\_\_\_ retains any interest in the loan.

ACKNOWLEDGEMENT

I (We) certify that I (we) have read this notice and that I (we) have been given a copy of it.

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

By: \_\_\_\_\_  
(Name and Title)

Date: \_\_\_\_\_

Proprietor, Partners, Principals and Guarantors

Date: \_\_\_\_\_  
\_\_\_\_\_  
(Signature)

Date: \_\_\_\_\_  
\_\_\_\_\_  
(Signature)

Date: \_\_\_\_\_  
\_\_\_\_\_  
(Signature)

Date: \_\_\_\_\_  
\_\_\_\_\_  
(Signature)

NONDISCRIMINATION STATEMENT

In Accordance with Federal law and U.S. Department of Agriculture policy, this institution is prohibited from discriminating on the basis of race, color, national origin, sex, religion, age, disability, or marital or family status. (Not all prohibited bases apply to all programs.)

To file a complaint of discrimination, write USDA Director Office of Civil Rights, Room 326-W, Whitten Building, 1400 Independence Avenue, SW, Washington, DC 20250-9410 or call (202)720-5964 (voice and TDD). USDA is an Equal Opportunity provider and employer.

\*\*\*IMPORTANT NOTICE\*\*\*

The following information is requested by the Federal Government in order to monitor compliance with Federal Laws prohibiting discrimination against applicants seeking to participate in the program. You are not required to furnish this information, but are encouraged to do so. This information will not be used in evaluating your application or to discriminate against you in any way. However, if you choose not to furnish it, we are required to note the race/national origin of individual applicants on the basis of visual observation or surname.

Ethnicity:

- Hispanic or Latino
- Not Hispanic or Latino

Race: (Mark one or more)

- White
- American Indian/Alaska Native
- Native Hawaiian or Other Pacific Islander
- Black or African American
- Asian

Sex:

- Male
- Female

Information provided by:

- Borrower
- Lender

Free Resources for Small Business  
 The Small Business Administration  
[www.sba.gov](http://www.sba.gov)  
 USDA Rural Development Programs  
<http://www.rurdev.usda.gov/>  
 The Small Business Development Centers in Iowa  
<http://www.iabusnet.org>



## Tracking Tools

A guide for racial/ethnicity and gender data collection - ultimate recipients  
For use by ultimate recipients

	Employees	Board of Directors (if applicable)
<b>Ethnicity</b>		
Hispanic or Latino		
Not Hispanic or Latino		
<b>Total</b>		
<b>Race</b>		
American Indian, Alaskan Native		
Asian		
Black or African American		
Native Hawaiian or Other Pacific Islander		
White		
<b>Total</b>		
<b>Gender</b>		
Male		
Female		
<b>Total</b>		

### **Obtaining a Data Universal Numbering System (DUNS) number**

In order to conduct business with the Federal Government, most organizations are required to obtain a DUNS number. Your application indicates that you are an organization that fits this requirement. Therefore, we request that your organization obtain a DUNS number so that we can continue to assist you.

The DUNS number is a unique nine-character identification number provided by the commercial company Dun & Bradstreet (D&B). You may call D&B at 1-866-705-5711 to register to obtain a DUNS number. The process to request a DUNS number takes about 10 minutes and is free of charge. Please use the following instructions to navigate through the voice prompts:

1. Dial 1-866-705-5711.
2. Enter "2" to register as a government loan/grant applicant and obtain a DUNS number
3. At this point, a service representative will answer, and suggest that you buy the Credit Builder Service. It is not necessary to purchase the service in order to do business with the Government. If you want to do business with other vendors outside the government, this is an optional service that allows you to do business using a line of credit.
4. Provide answers to the following questions:
  - Name of business
  - Business address
  - Local phone number
  - Name of the CEO/business owner
  - Legal structure of the business (corporation, partnership, proprietorship)
  - Year business started
  - Primary line of business
  - Total number of employees (full and part time)

You may also register for your DUNS number at Dun & Bradstreet's Web site: <https://www.dnb.com/>. Be sure to click on the link that reads, "DUNS Number only" at the right hand, bottom corner of the screen to access the free registration page. Please note that registration via the Web site may take up to 14 business days to complete.

Return completed application to:  
Cherokee Area Economic Development Corporation  
201 W. Main St.  
Cherokee, IA 51012

If you have any questions contact:  
Executive Director  
Cherokee Area Economic Development Corporation  
712-225-5739

The Cherokee Area Economic Development Corporation Revolving Loan Fund Committee will accommodate applicants who are unable to access our office. We have arranged meeting space at Cherokee State Bank or Central Trust and Savings Bank or we can meet with the applicant at their home.

This institution is and Equal Opportunity Provider. Discrimination is prohibited by Federal Law. Complaints of discrimination may be filed with the USDA, Director, Office of Civil Rights, Washington, D.C. 20250.