



Harrison County Economic Development Corporation

Small Business Loan Application

Harrison County, Indiana



Small Business Loan Program

Introduction: Small businesses create the most jobs, but suffer the greatest difficulties in accessing affordable or reasonable financing for emerging businesses or business expansions resulting in job creation. The Harrison County Economic Development Corporation (HCEDC) Small Business Loan Program is designed to encourage and assist business development within Harrison County by providing financing for a small, emerging private business enterprise that expands operations or increases or retains employment. The Program is self-perpetuating through loan repayments by borrowers where the revolving characteristic will allow it to serve as a long term loan source for emerging and expanding business in the future. The Program is capitalized by grants and direct funds from the Harrison County Economic Development Corporation. The administrative responsibility is held by the Harrison County Economic Development Corporation which includes the formation of the Loan Review Committee. The Committee will be responsible for reviewing the loan applications, review of requested information, and will make the funding decisions with final approval made by the Harrison County Economic Development Corporation Board of Directors.

Eligible Industries/Businesses

The Fund is targeted to:

- Manufacturers;
- Information Technology;
- Transportation/Warehousing;
- Healthcare;
- Emerging/advanced technologies;
- Retail and Service businesses;
- Trades: Electrical, Plumbing, Construction, Lawn Care, etc.

Funding Criteria

A. Business Criteria

1. All businesses must be located in or locating in Harrison County
2. All business applicants must meet with an Indiana Small Business Development Center (ISBDC) Business Advisor.
3. All business applicants must be current with all tax liability payments and with no outstanding judgments
4. All businesses must have a business plan prepared by them with assistance from the local Indiana Small Business Development Center office.

B. Loan Criteria

1. **Loan Size** - in the \$5,000 - \$50,000 range (maximum loan size = \$50,000); all loans are at the discretion of the Loan Review Committee.
2. **Terms** - up to 10 years for land and building; up to 5 years for equipment; and up to 2 years for working capital.
3. **Interest Rate** 1.5%.
4. **Repayment** – Borrower will make monthly payments starting 30 days from the closing date until the term of the loan has been completely satisfied or payoff has occurred. Prepayment penalties do not apply.
 - The Deferral of the repayment period may be considered.
5. **Equity** - Personal guarantees will be required from the principals and owners of the company. The Harrison County Economic Development Corp is entitled to all legal means necessary for debt recovery.

C. Loan Application

A loan application may be obtained from the Indiana Small Business Development Center Advisor, the Office of the Chamber of Commerce/Economic Development Corp or online at www.hcedcindiana.org. Applications are reviewed monthly.

For more information, contact: Chamber of Commerce 812.738.0120 or ISBDC: 812.952.9765

Harrison County Economic Development Corporation Small Business Loan Loan Review and Approval Procedure

The Harrison County Economic Development Corporation will make every effort to adhere to the guidelines described herein. However, each individual loan may present special circumstances that require some deviation from the guidelines.

STEP 1:

Each loan application is submitted to the Harrison County Economic Development Corporation and initially reviewed by the Loan Review Committee to determine if it satisfies the objectives and criteria of the Harrison County Economic Development Corporation. A \$100 application fee will be paid by the Borrower when the application is reviewed by the Committee.

STEP 2:

If the program objectives and criteria are satisfied, and available funds exist for funding the loan, the Loan Review Committee will review the loan application in its entirety. The Loan Review Committee will notify the applicant as to their conclusion of the review of the loan.

STEP 3:

If the Loan Review Committee approves the loan, it will be recommended to the HCEDC Board. Upon final approval, a Commitment Letter, informing the Borrower of the terms and conditions of the loan will be issued to the Borrower. The Borrower will be required to sign and return the Commitment Letter within ten (10) days.

STEP 4:

Once approved and accepted by the borrower, the Harrison County Economic Development Corporation works with the applicant to fulfill the conditions of the loan approval and moves the loan forward to closing. The closing is arranged by the Harrison County Economic Development Corporation once all final documentation has been received.

Harrison County Economic Development Small Business Loan Fund

LOAN APPLICATION

Name of Business: _____

Business Address: _____

City: _____ State: _____ Zip Code: _____ Telephone: _____

Contact Person: _____ Telephone: _____

Type of Business: _____ Sole Proprietorship: _____ Partnership: _____ LLC: _____ Corporation: _____

State and Date Established: _____ SIC Code: _____

Employer's Federal Identification Number: _____

Employer's State Identification Number: _____

Name of Owner #1:

Name of Owner #2:

Percentage Owned: _____%

Percentage Owned: _____%

Home Address:

Home Address:

City, State, Zip

City, State, Zip

Home Telephone

Home Telephone

Name of Owner #3:

Name of Owner #4:

Percentage Owned: _____%

Percentage Owned: _____%

Home Address:

Home Address:

City, State, Zip

City, State, Zip

Home Telephone

Home Telephone

Name of Owner #5:

Percentage Owned: _____%

Home Address:

City, State, Zip

Home Telephone

Name of Owner #6:

Percentage Owned: _____%

Home Address:

City, State, Zip

Home Telephone

Professional Services/References:

Name of Bank: _____

Bank Address: _____

City: _____ State: _____ Zip: _____ Telephone: _____

Contact Person: _____ Account #: _____

Name of Attorney: _____

Attorney Address: _____

City: _____ State: _____ Zip: _____ Telephone: _____

Name of Accountant: _____

Accountant Address: _____

City: _____ State: _____ Zip: _____ Telephone: _____

Loan Application

Required Attachments:

- A. A brief (one page or less) narrative of the business history
- B. Project description including sources of funding for the project
- C. Commitment letter from your bank regarding any financing the bank will provide for this project. (if applicable)
- D. Business financial information for the past two years (if applicable). For example, Balance Sheets, Operating Statements, etc.
- E. Projected revenue and expenses
- F. Signed personal financial statements that are not more than a year old. Copies of prior two years of personal Federal Tax Returns for any person(s) who owns interest in the business.
- G. Federal tax returns filed by the business for the previous two years (if applicable)
- H. Statement concerning how the project will benefit Harrison County

Signatures:

I declare that any statement in this application and in its required attachments, or information provided herein, is true and complete in substance and in fact. I declare that I am a legal resident or U. S. Citizen with the authority to conduct business in the State of Indiana.

Name of Business: _____

By: _____ Title: _____ Date: _____

By: _____ Title: _____ Date: _____

By: _____ Title: _____ Date: _____

Attest: _____ Title: _____ Date: _____

Harrison County Economic Development Corporation Credit Check

In connection with the business loan application of:

Harrison County Economic Development Corporation is requesting the following information from you in order for us to obtain current credit information from one of more commercial and/or personal credit reporting institutions.

Your Full Name: _____

Your Spouse's Name: _____

Present Address: _____

Number

Street

City

State

Zip

Former Address: _____

Number

Street

City

State

Zip

Social Security No: _____

Date of Birth: _____

Spouse's SSN: _____

Date of Birth: _____

I authorize the Harrison County Economic Development Corporation to use the above information to obtain current credit report(s) as required in connection with the above-mentioned business loan application.

Your Signature: _____

Spouse's Signature: _____

Date: _____



PERSONAL FINANCIAL STATEMENT

U.S. SMALL BUSINESS ADMINISTRATION

As of _____, _____

Complete this form for: (1) each proprietor, or (2) each limited partner who owns 20% or more interest and each general partner, or (3) each stockholder owning 20% or more of voting stock, or (4) any person or entity providing a guaranty on the loan.

Name _____ Business Phone _____

Residence Address _____ Residence Phone _____

City, State, & Zip Code _____

Business Name of Applicant/Borrower _____

ASSETS		(Omit Cents)	LIABILITIES		(Omit Cents)
Cash on hand & in Banks	\$	_____	Accounts Payable	\$	_____
Savings Accounts	\$	_____	Notes Payable to Banks and Others	\$	_____
IRA or Other Retirement Account	\$	_____	(Describe in Section 2)		
Accounts & Notes Receivable	\$	_____	Installment Account (Auto)	\$	_____
Life Insurance-Cash Surrender Value Only	\$	_____	Mo. Payments \$ _____		
(Complete Section 8)			Installment Account (Other)	\$	_____
Stocks and Bonds	\$	_____	Mo. Payments \$ _____		
(Describe in Section 3)			Loan on Life Insurance	\$	_____
Real Estate	\$	_____	Mortgages on Real Estate	\$	_____
(Describe in Section 4)			(Describe in Section 4)		
Automobile-Present Value	\$	_____	Unpaid Taxes	\$	_____
Other Personal Property	\$	_____	(Describe in Section 6)		
(Describe in Section 5)			Other Liabilities	\$	_____
Other Assets	\$	_____	(Describe in Section 7)		
(Describe in Section 5)			Total Liabilities	\$	_____
Total	\$	_____	Net Worth	\$	_____
			Total	\$	_____

Section 1. Source of Income	Contingent Liabilities
Salary	As Endorser or Co-Maker
Net Investment Income	Legal Claims & Judgments
Real Estate Income	Provision for Federal Income Tax
Other Income (Describe below)*	Other Special Debt

Description of Other Income in Section 1.

*Alimony or child support payments need not be disclosed in "Other Income" unless it is desired to have such payments counted toward total income.

Section 2. Notes Payable to Banks and Others. (Use attachments if necessary. Each attachment must be identified as a part of this statement and signed.)

Name and Address of Noteholder(s)	Original Balance	Current Balance	Payment Amount	Frequency (monthly, etc.)	How Secured or Endorsed Type of Collateral

Section 3. Stocks and Bonds. (Use attachments if necessary. Each attachment must be identified as a part of this statement and signed).

Number of Shares	Name of Securities	Cost	Market Value Quotation/Exchange	Date of Quotation/Exchange	Total Value

Section 4. Real Estate Owned. (List each parcel separately. Use attachment if necessary. Each attachment must be identified as a part of this statement and signed.)

	Property A	Property B	Property C
Type of Property			
Address			
Date Purchased			
Original Cost			
Present Market Value			
Name & Address of Mortgage Holder			
Mortgage Account Number			
Mortgage Balance			
Amount of Payment per Month/Year			
Status of Mortgage			

Section 5. Other Personal Property and Other Assets. (Describe, and if any is pledged as security, state name and address of lien holder, amount of lien, terms of payment and if delinquent, describe delinquency)

Section 6. Unpaid Taxes. (Describe in detail, as to type, to whom payable, when due, amount, and to what property, if any, a tax lien attaches.)

Section 7. Other Liabilities. (Describe in detail.)

Section 8. Life Insurance Held. (Give face amount and cash surrender value of policies - name of insurance company and beneficiaries)

I authorize SBA/Lender to make inquiries as necessary to verify the accuracy of the statements made and to determine my creditworthiness. I certify the above and the statements contained in the attachments are true and accurate as of the stated date(s). These statements are made for the purpose of either obtaining a loan or guaranteeing a loan. I understand FALSE statements may result in forfeiture of benefits and possible prosecution by the U.S. Attorney General (Reference 18 U.S.C. 1001).

Signature: _____ Date: _____ Social Security Number: _____

Signature: _____ Date: _____ Social Security Number: _____

PLEASE NOTE: The estimated average burden hours for the completion of this form is 1.5 hours per response. If you have questions or comments concerning this estimate or any other aspect of this information, please contact Chief, Administrative Branch, U.S. Small Business Administration, Washington, D.C. 20416, and Clearance Officer, Paper Reduction Project (3245-0188), Office of Management and Budget, Washington, D.C. 20503. **PLEASE DO NOT SEND FORMS TO OMB.**

Harrison County Economic Development Corporation

Creditworthiness

The applicant must not be in arrears or default on any of the following obligations:

- (1) *Real property taxes;*
- (2) *Mortgage payments;*
- (3) *Federal and state tax obligations, including the timely filing of all tax returns;*
- (4) *Other debts including any past or existing Small Business Loans;*
- (5) *Revolving credit loans and related obligations; and*
- (6) *Unsatisfied judgments or other claims which would interfere with The Harrison County Economic Development Corporation rights in the collateral*

Noncompliance with any of the above will be considered an appropriate reason for loan refusal. The applicant will have the opportunity to correct or explain any of the above problems.

Applicants Name _____

Applicants Signature _____

Date _____

Harrison County Economic Development Corporation Authorization to

Release Information

In connection with the business loan application of:

Harrison County Economic Development Corporation is requesting the following information from you in order for us to obtain information from your Accountant, Attorney, and Banker (as identified on your loan application) as needed in the processing of the submitted loan application.

Your Full Name: _____

Your Spouse's Name: _____
(If Applicable)

Present Address: _____

Number Street

City State Zip

Former Address: _____

Number Street

City State Zip

Social Security No: _____

Date of Birth: _____

I authorize the Harrison County Economic Development Corporation to use the above information to obtain information as required in connection with the above-mentioned business loan application.

Your Signature: _____

Spouse's Signature: _____
(If Applicable)

Date: _____

Harrison County Economic Development Corporation Yearly Loan Reporting

In connection with the business loan to:

Harrison County Economic Development Corporation is requesting the following financial information including, but not limited to, financial statements, tax returns, progress reports on the project, and number of employees with breakdown, must be submitted to the Harrison County Economic Development Corporation ninety (90) days after fiscal year end for each year the loan is outstanding.

Signature of Authorized Representative of Borrower

Printed Name

Title

06/17/2015