

# **West River Revolving Loan Fund**

## **Application Information**

## **West River Revolving Loan Fund Application Information**

The West River Foundation, Inc., a private non-profit corporation, governs the West River Revolving Loan Fund. The loan fund was established to assist community projects and new or expanding businesses in Western South Dakota. The fund works closely with local banks, other loan funds, state and federal agencies in financing projects. A completed application form is necessary for the fund to evaluate the proposed project and make recommendations to the loan review 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.

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 West River Foundation.

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 institution 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 the following page). A non-refundable application fee of \$100 is payable at the time an application is submitted. After fund review, the Loan Review Committee will review the project and make 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 review 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 the West River Business Service Center at (605) 394-1706. Staff may provide information and assistance, but has no loan making authority under this program.

## **West River Revolving Loan Fund Application Checklist**

Copies of all items marked below must be submitted to the West River 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 West River 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

## West River 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: \_\_\_\_\_

Business Address: \_\_\_\_\_ City: \_\_\_\_\_ State & Zip: \_\_\_\_\_

Business Mailing Address: \_\_\_\_\_

Phone: \_\_\_\_\_ Cell Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

Email address: \_\_\_\_\_

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

DUNS Number for business: \_\_\_\_\_

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

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

Employer's Identification Number: \_\_\_\_\_ 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 regional/local loan funds \_\_\_\_\_  
Amount applied for from other \_\_\_\_\_  
Owner's Equity (existing equity) \_\_\_\_\_  
**TOTAL SOURCE OF FUNDS** \_\_\_\_\_

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

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

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

**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.

5. **CURRENT EMPLOYMENT INFORMATION** (do not include owners)

	Full Time	Part Time
<b>PRESENT NUMBER OF EMPLOYEES</b>	_____	_____
<b>PRESENT TOTAL ANNUAL PAYROLL</b>	_____	_____

6. **JOBS CREATED AS A RESULT OF THE LOAN** (do not include owners unless start-up company and owners are to be principally engaged in daily business activity)

	Full Time	Part Time
<b>NUMBER OF JOBS TO BE CREATED</b>	_____	_____
<b>DATE BY WHICH JOBS WILL BE ESTABLISHED</b>	_____	_____
<b>PROJECTED TOTAL ANNUAL PAYROLL</b>	_____	_____

**TOTAL NUMBER OF EMPLOYEES IN VARIOUS JOB CATEGORIES**

	Present	Projected		Present	Projected
Managers	_____	_____	Office	_____	_____
Professional	_____	_____	Production	_____	_____
Sales	_____	_____	Other	_____	_____

7. **COMMUNITY IMPACT:** (Explain the benefits to the community/area and the effects on the local, state or tourism tax base. If there is a tax abatement or TIF, please explain.)

8. **MANAGEMENT:** (Proprietor, partners, and stockholders with 20% or more ownership in the business)

NAME	ADDRESS	% OWNED	SOC. SEC. NO.

Is this business a:

_____ "C" Corporation	_____ "S" Corporation	
_____ L.L.C.	_____ Partnership	_____ Proprietorship
_____ Municipality	_____ Cooperative	_____ Non-profit, tax exempt

Who is borrowing in this project? \_\_\_\_\_ Corporation \_\_\_\_\_ Partnership \_\_\_\_\_ Individual(s)

Corporate Officers:

_____	_____
President	Vice-President
_____	_____
Secretary	Treasurer

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 \_\_\_\_\_

**Loan Fees:**

1. Loan Application Fee of \$100. This fee is non-refundable. Please attach payment.
2. Loan Origination Fee of 1% of the loan amount. Payable at loan closing.
3. Document Preparation Fee of \$150. Payable at loan closing.

**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

**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

## **CONFIDENTIAL CREDIT AND PERSONAL BACKGROUND REPORT**

The West River Revolving Loan Fund will obtain at its own expense a credit report and personal background check on the applicant(s). The West River Revolving Loan Fund will comply with all provisions of the Fair Credit Reporting Act (15 USC 1681 et seq.). The West River 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 West River Revolving Loan Fund.

### **CERTIFICATION**

I/We hereby certify that the information contained on this application and the attachments are correct and complete to the best of my/our knowledge and there is no intent to deceive or defraud the Fund or any potential participant in any loans to finance the project.

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

I/We grant The West River 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 OF APPLICANT COMPANY: \_\_\_\_\_

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

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

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



## **West River Foundation**

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