

UNION COUNTY REVOLVING LOAN FUND ELIGIBILITY STANDARDS AND CRITERIA

Attached is a copy of the Union County Revolving Loan Fund (RLF) Loan Application. The following are the basic eligibility standards and criteria:

- ❖ Application must apply for conventional financing from a lending institution. Written documentation from the lending institution must be provided with the application that states the project is credit-worthy with RLF participation for one of the following reasons:
 - (a) Fills a gap between estimated project costs and available bank/owner equity funds
 - (b) Permits a return on investment (ROI) in line with lending institutions determined industry wide standard
 - (c) Remedies or enhances deficient collateral for the project
 - (d) Keeps the project from leaving the State of Illinois
- ❖ Loans may be used only to benefit a business in the designated Union County' corporate limits.
- ❖ Loans cannot exceed 30% of the total project costs.
- ❖ For every \$15,000 increment borrowed, you must commit to create or retain one full time equivalent (FTE) job.
- ❖ At least 51% of the jobs created/retained must benefit low-to-moderate income persons. Part time jobs can be added together to make a full time job. Documentation will be required.
- ❖ Proceeds cannot be used for existing debt service.
- ❖ Loans must be sufficiently collateralized.
- ❖ The borrower(s) must personally guarantee the loan.
- ❖ Funds used for construction must adhere to the Davis-Bacon law - payment of current federal prevailing wage rates and fringe benefits. Contractors will be required to submit weekly-certified payrolls and will be monitored for compliance.
- ❖ All projects are required to clear an environmental process before loan can be approved.

Please contact Tiffany R. George at Southern Five Regional Planning District and Development Commission, 219 Rustic Campus Drive, Ullin, IL 62992 – Phone 618-634-2284, Fax 618-634-2287 or Union County Board of Commissioners, 311 West Market Street, Jonesboro, IL 62952

Union County Revolving Loan Fund Loan Application

Application Checklist

Organizational Information

- Business Certification*** – Documents in regard to the business establishment as a sole proprietorship, a partnership, or a corporation. Include tax identification numbers, licenses, partnership agreements, Articles of Incorporation, Corporate By-Laws, Board of Director's resolution authorizing loan, and Stockholder information.
- Management Personnel*** – Names and contact information for business' day-to-day management, accounting personnel, and legal counsel.
- Financial Records*** – Complete financial disclosures (audits, tax returns, income/expense statements, balance sheets, and net worth statements completed and/or certified by a CPA, etc.) for the organization and primary owners for the three previous fiscal years, the organizations most recent months balance sheet and income/expense statement, a personal history and current financial statement of all applicants, a listing of all short and long term debts, a 2 Year Projected balance sheet and income statement, and a 12 Month Projected revenues and expenses statement.

Project Information

- Market Data and Community Impact*** – Summary of the regional market for the business' product or service and impact the business will have on the local community.
- Application of Projected Dollars*** – Breakdown of the project costs and ultimate recipients of projected dollars, including cost estimates for construction and price quotes for machinery and other assets.
- Employment Results of Project*** – Implication of project on local employment, including new job creation and job retention.

Project Financing Information

- Financing Sources*** – Include amount and percentage of project costs for each financial source involved in the project.
- Financial Commitments*** – Include documentation of financing already committed to the project with a Letter of Commitment from each financial source. Letter of Commitment must include the NEED FOR RLF FINANCING, amounts, terms and interest rates.
- Collateral Description*** – List all real estate, machinery and equipment, and other assets that will be used for collateral for financing and indicate the value, lien position and capital life of each item. Include a legal description and an appraisal for any real estate, appraisals/cost estimates and an itemized listing indicating the net book value for machinery and equipment.

Environmental Review Information

The Union County' Revolving Loan Fund Projects are subject to Environmental Reviews by certain state and federal agencies. In order for them to clear your project for development, you need to submit the following information (place a check mark next to item(s) that are attached):

1. _____ **Map showing geographical location of project area in relation to City boundaries;**
2. _____ **A U.S. Geological Survey Quad (USGS) Map showing the precise location of the project (i.e., county/township/range and section);**
3. _____ **Site plan map(s) showing specifics of proposed undertaking;**
4. _____ **Current photos of all standing structures within the project area;**
5. _____ **Project address(es);**
6. _____ **Total acres to be acquired, if applicable;**
7. _____ **Current land use of property to be acquired;**
8. _____ **City/County zoning designation of the site;**
9. _____ **Steps to be taken to rectify any disturbance of surface and subsurface drainage systems, which could accelerate erosion problems;**
10. _____ **Identification of the materials, production processes and products;**
11. _____ **Anticipated production rates;**
12. _____ **Anticipated water use and wastewater discharge;**
13. _____ **Anticipated quality of wastewater (characteristics);**
14. _____ **Volume of solvents or degreasers used in process;**
15. _____ **Air emission sources and control equipment;**
16. _____ **Volume and types of hazardous or solid waste generated**
17. _____ **Determination of whether sewer or water main extensions will be required;**
18. _____ **Name and telephone number of manufacturer's representative (plant manager or environmental engineer).**

Please contact Southern Five Regional Planning if you need help in obtaining any of the above information.

***I have read the eligibility standards and the application checklist. I understand this application is not guaranteed for financing and that other terms and conditions may apply.**

Applicant

Date

**Union County
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A. Organizational Information

Legal Name of Borrower: _____

Home Address: _____ Home Phone: _____

Contact Person: _____ Title: _____

Business Name _____

Business Location _____
(Physical Location) Street City State

Mailing Address _____
Street/P.O. Box City State Zip

Telephone _____ Fax _____

Email _____ Business Tax Identification Number _____

Type of Business / Products Produced, Services Provided: _____

Business Organization Type:
 Sole Proprietorship Limited Partnership
 "S" Corporation General Partnership
 Private Corporation Public Corporation

Business Incorporation State _____ Date _____

Number of Years in Business: _____

Number of Years Operating at Present Business Address: _____

Is Business Female or Minority Owned? *
 No Yes-Please Indicate Race and/or Sex _____

*This information is collected for statistical purposes only. It has no bearing on the credit decision to approve or decline this application.

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Is Business Wholly or Partially Owned by Any Other Business? ___ No ___ Yes (Explain)

List All Primary Owners (20% or More)

Name & Title	Social Security Number	Address	Percentage of Ownership
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1.	_____	_____	_____
2.	_____	_____	_____
3.	_____	_____	_____
4.	_____	_____	_____

Do You Own More than 20% in Any Other Business? _____ No _____ Yes
If Yes, Please List the Name of the Business and All Other Owners

Management Personnel

Name	Mailing Address	Phone Number
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Business Manager _____

Accountant/CPA _____

Auditing Firm
(If Applicable) _____

Legal Counsel _____

Financial Institution _____
(Contact Name & Institution Name)

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B. Employment Information

Please provide a Listing of Job Classifications, Salary Ranges, and Number of Positions as a Separate Attachment B. Include a Listing of Current Employees, including Name, Job Title, and indicate whether employed Full or Part Time.

Present Number of Employees:

Full Time: _____ Part Time: _____

Would Any of These Positions Be Eliminated if Project is Not Completed?

_____ No _____ Yes (If Yes, List Position and Explain)

Anticipated Number of Employees as a Result of this Project:

1-Year Full Time: _____ Part Time: _____

2-Year Full Time: _____ Part Time: _____

Please list assumptions used for employment projections.

***NOTE: At least 51 percent of all jobs created and/or retained must be filled by individuals meeting low-to-moderate income guidelines. (Please see attached "Employer Job Certification" Form at the back of this application).**

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C. Financial Records

Please provide one (1) copy of the following items as Attachment C:

The Business

- (A) Audited reports for the latest three years available, including Balance Sheet and Income Statement prepared by a CPA
- (B) Balance Sheet and Income Statement for most recent month
- (C) 3 Year Projected Balance Sheet and Income Statement
- (D) 12 Month Projected Revenues and Expenses
- (E) Listing of all short and long term debts including original date and amount, present balance, interest rate, monthly payment, maturity, security, current status indicating if debt is current or delinquent. A form is attached to this application for your convenience.

Primary Owners

- (A) Personal Financial Balance Sheet prepared by a CPA.
- (B) Federal and State Income Tax Returns for last 3 years.
- (C) Listing of all short and long term debts including original date and amount, present balance, interest rate, monthly payment, maturity, security, current status indicating if debt is current or delinquent. A form is attached to this application for your convenience.

D. Project Information

Please provide a Complete Plan for the Project as a Separate Attachment. Please include the following key points:

- A business description including products/services provided and business hours
- History of the business
- The location of the business and proposed project
- The number and type of jobs that will be created
- The goals and objectives of the project
- Time frame for project
- Organizational Plan with Applicable Resumes
- Competition Analysis
- Marketing Plan – include geographic market area (National, Regional, Local), customers that will be targeted by the business, what types and to what extent you have completed studies for the business, project's overall impact on the surrounding community (increased traffic, generation of retail sales and real estate taxes to the community, environmental impact, quality of life, etc.)
- How will loan proceeds be used (acquire businesses, acquire real property, purchase new or used equipment, working capital) and why RLF funds are needed to make this project work.

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E. Activity Detail

1. Property Acquisition

Applicable to Project? Yes _____ No _____
If "Yes", complete items below.
Address (if different from Business Address): _____
Phone Number (if different from Business Phone): _____
Applicant: _____ Owns _____ Leases Business Property
If leased, Owner's Name: _____
Owner's Address: _____
Terms of Lease: _____ (Attach Copy of Lease)
Property Size: _____ (Sq. Ft./Acreage)

Include a current real estate appraisal and a copy of the purchase option or agreement of the property to be acquired or included in the project. For building construction, provide contractors or architects cost estimates.

2. Description of Machinery/Equipment Acquisition for Project

Applicable to Project: Yes _____ No _____
If "Yes", complete items below.

Item Description _____	Estimated Cost \$ _____
Item Description _____	Estimated Cost \$ _____
Item Description _____	Estimated Cost \$ _____
Item Description _____	Estimated Cost \$ _____
Item Description _____	Estimated Cost \$ _____
Item Description _____	Estimated Cost \$ _____

Provide reliable vendor cost estimates for machinery and equipment. For moving or installation costs, attach written estimates. For used machinery and equipment acquisition, provide an appraisal demonstrating the fair market value.

3. Description of Working Capital Expenditures (inventory, payroll, etc.)

Applicable to Project: Yes _____ No _____
If "Yes", complete items below.

Activity Description _____	Estimated Cost \$ _____
Activity Description _____	Estimated Cost \$ _____
Activity Description _____	Estimated Cost \$ _____
Activity Description _____	Estimated Cost \$ _____

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F. Application of Project Dollars

Summary of Project Costs

Land Acquisition	\$ _____	_____ %
Building Acquisition	\$ _____	_____ %
New Construction	\$ _____	_____ %
Renovation/Site Improvements	\$ _____	_____ %
Machinery and Equipment	\$ _____	_____ %
Inventory/Working Capital	\$ _____	_____ %
Other _____	\$ _____	_____ %
 Total Project Cost	 \$ _____	 _____ %

Sources of Funds

Owner/Business Contribution		
Cash	\$ _____	_____ %
Other _____	\$ _____	_____ %
Financial Institution Financing	\$ _____	_____ %
Union County RLF (this application)	\$ _____	_____ %
Other Sources _____	\$ _____	_____ %
 Total Sources of Funds	 \$ _____	 _____ %

Description of Real Estate

	Existing	New Construction
Number of Buildings	_____	_____
Square Footage	_____	_____
Type of Structure (Masonry, Metal, or Wood Frame)	_____	_____
 Office Space (Square Footage)	 _____	 _____
Showroom Space	_____	_____
Shop Space	_____	_____
Warehouse Space	_____	_____

Estimated Target Date To:

Begin Project: _____ Complete Project: _____
Occupancy/Start Up: _____

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G. Source of Funds

Lending Institution Contribution

Has a Lending Institution been approached for Financing Project?

Yes _____ No _____

If Checked "No", Please Explain _____

If Checked "Yes",
Name of Lending Institution _____

Address _____

Phone Number _____ Contact Name _____

Amount Financed _____ Term _____

Interest Rate _____ Payment Method _____
(Monthly, Quarterly, Annual, etc.)

Collateral Description and Lien Position:

Item Description _____ Lien Position _____

Item Description _____ Lien Position _____

Item Description _____ Lien Position _____

1st Payment Due _____

Please attach a Lender Commitment Letter – Letter must state the loan terms, the maximum amount to be extended, and the NEED FOR RLF participation. If credit was denied, please include the denial letter from lending institution stating the terms and reasons for denial.

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Other Sources

Name of Source _____

Address _____

Phone Number _____ Contact Name _____

Amount Financed _____ Term _____

Interest Rate _____ Payment Method _____
(Monthly, Quarterly, Annual, etc.)

Collateral Description and Lien Position:

Item Description _____ Lien Position _____

Item Description _____ Lien Position _____

Item Description _____ Lien Position _____

1st Payment Due _____

Owner/Business Contribution

List all business owners who are contributing money to the project. Include the amount and type contribution they are contributing.

Name	Amount	Type (cash, donated assets, etc.)
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1. _____

2. _____

3. _____

4. _____

Union County Revolving Loan Fund Loan Application

Union County RLF Information

Amount of Loan Request _____

Minimum Term Request _____

Maximum Term Request _____

Requested Payment Method _____
(Monthly, Quarterly, Annual)

Requested 1st Payment _____

H. Collateral Description

List what will be offered to secure this loan. If your collateral consists of land and/or building(s), please provide a legal description and an appraisal for the property. If your collateral consists of machinery/equipment, please include cost estimates and/or an itemized listing containing the serial and I.D. numbers, indicating the net book value for each item. Also indicate Union County's proposed lien position.

Union County Revolving Loan Fund Loan Application

I. Documentation of Business Entity

Please provide documentation evidencing existence of business entity and authorization to enter into the loan. Submit the following as appropriate:

- I. For Corporation
 - A. Articles and Certificate of Corporation
 - B. Secretary's Certificate of Board of Director's resolution authorizing the loan.
 - C. Copy of Corporate By-Laws
 - D. Current Certificate of Good Standing from Illinois Secretary of State
- II. For Partnership
 - A. Certificate of General or Managing Partner Authorizing Loan
 - B. Certificate of Partnership (for Limited Partnerships)
 - C. Copy of Partnership Agreements
 - D. Certificate of Good Standing (for Limited Partnerships)
- III. Sole Proprietorships
 - A. Operating Licenses / DBA Certification

EACH EXHIBIT OR ATTACHMENT MUST BE SIGNED AND DATED BY APPLICANT

J. Claims and Certifications

Claims

I (we) hereby certify that all information contained herein is true and correct. The undersigned applied for the loan indicated in this application to be used in connection with the project described herein. The Board of Directors, Principal Partners, or Sole Owner of the business on behalf of which the application is made has duly authorized this application. The applicant will comply with all certifications and requirements necessary for fulfillment of the Union County RLF loan terms. The applicant agrees to furnish any additional information as needed to review and consider this loan request.

I (we) hereby grant permission to Southern Five Regional Planning Commission and Union County to collect information concerning the credit history of the business, primary owners, or partners for the sake of evaluating the credit worthiness of this application. The collection may include, but not be limited to, credit bureau reports, contact with credit references, and correspondence with applicant's financial institution.

Authorized Signature

Name and Title

Date

Union County RLF Loan Application

Business Certification

The company understands that no aspect of the project proposed for assistance will commence prior to the receipt of environmental clearance and loan approval.

The company certifies that the project site is/will be owned by applicant during the term of the loan and will be located within the eligible lending area of Union County.

The company certifies that RLF financing will not be used for any activity that serves to relocate jobs from one commuting area to another, including using RLF financing to relocate jobs into an eligible area from a different commuting area and relocating jobs that are created as a result of RLF financing to a different commuting area.

The company certifies that it will retain/create jobs, at least 51 percent of which will go to persons of low-to-moderate income. We further certify to submit to Southern Five and Union County, on a semi-annual basis, information regarding job creation/retention and the benefit to low-to-moderate individuals.

The company certifies that it is a company in good standing, authorized to do business in Illinois, and has no delinquent tax liabilities. The company further authorizes Southern Five Regional Planning District and Development Commission or Union County to seek a tax clearance letter from the Illinois Department of Revenue and authorizes the Department of Revenue to provide such a letter stating whether the records of the Department show that the Borrower is in compliance with all tax acts administered by the Department of Revenue and to which Borrower is subject.

The company also certifies that no tax liens, including but not limited to municipal, county, state, or federal, have been filed against the company, any partners of the company, the majority share holders of the company, or in the name of related business owned by the recipient.

The company certifies that it will comply with all applicable state and federal laws and regulations, including but not limited to, prohibited discrimination of employees or applicants for employment or providers of goods and services, on the basis of race, creed, sex, color, religion, national origin, age or handicap, including but not limited to the Illinois Human Rights Act, as now hereafter amended, and the Equal Employment Opportunity Clause.

The company certifies that it will comply with the Department of Commerce and the Economic Development Administrations Regulations under title VI of the Civil Rights Act of 1964 and Public Law 92-65. The company further certifies that it comply with the Clean Air Act and the Federal Water Pollution Control Act.

The company hereby certifies that all information contained herein is true and correct. The undersigned applied for the loan indicated in this application to be used in connection with the project described herein. The Board of Directors, Principal Partners, or Sole Owner of the business on behalf of which the application is made has duly authorized this application. The applicant will comply with all certifications and requirements necessary for fulfillment of the Union County RLF loan terms. The applicant agrees to furnish any additional information as needed to review and consider this loan request.

I (we) understand the purpose of the RLF is to support business activities for which credit is not otherwise available on terms and conditions that would permit completion and/or successful operation or accomplishment of the project.

I (we) hereby grant permission to Southern Five Regional Planning Commission and Union County to collect information concerning the credit history of the business, primary owners, or partners for the sake of evaluating the credit worthiness of this application. The collection may include, but not be limited to, credit bureau reports, contact with credit references, and correspondence with applicant’s financial institution.

Signature of Chief Executive Officer

Typed Name

Date

Typed Name of Company

Typed Company Address

FEIN

EMPLOYER JOB CERTIFICATION FORM

Name of Firm: _____

I/We hereby certify that we will retain/create jobs, at least 51 percent of which will go to persons of low-to-moderate income. The number of Full Time Equivalent (FTE) jobs we intend to retain = _____; the number of Full Time Equivalent (FTE) jobs we intend to create = _____. Of the figure(s) previously indicated, at least 51 percent or _____ Full Time Equivalent (FTE) jobs will go to low-to-moderate income persons as documented by completed Employee Certification Forms. I/We further certify that these jobs will be retained and/or created within twelve (12) months of the applicant's approved Union County Revolving Loan Fund (RLF) Application.

Signed: _____
Owner

Owner

Owner

Owner

Date