

Southwest Initiative Foundation LOAN PROGRAMS APPLICATION

I. Basic Information:

Business Name _____

Address _____

City _____ Zip _____

Contact Person _____ Telephone # _____

E-mail Address _____ Website _____

Social Security # _____ -or- Fed ID # _____

Does your company sell product(s) through E-Commerce? ___ Yes ___ No

Type of Business:

___ Sole Proprietorship ___ Corporation ___ Partnership ___ LLC

___ Non Profit Corporation

Brief description of the business the applicant is engaged in:

II. Nature of the Loan Request:

Loan Amount requested from Southwest Initiative Foundation: \$_____

Total cost of the project: \$_____

___ New Business

_____ # of jobs created

___ Existing Business

_____ # of existing jobs PRIOR to project

_____ # of jobs AFTER project is complete

Brief description of project for which applicant is seeking funding:

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Identify how the requested financing will result in the additional/retained employment, and the time frame in which that will occur:

III. Financing

Specify what kind of financing gap exists (inadequate equity, inadequate private lender financing, inability to pay market interest rates or term requirements) and explain in detail why this causes a need to apply for a gap financing loan.

PURPOSE AND SOURCE FOR TOTAL PROJECT COST (indicated in section II)

PURPOSE FOR WHICH FUNDS TO BE USED	SWIF LOAN	BANK(S)	BANK(S)	EQUITY	(SPECIFY)	
					OTHER	TOTAL
Property Acquis.	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Site Improvement	_____	_____	_____	_____	_____	_____
Building Renovation	_____	_____	_____	_____	_____	_____
New Construction	_____	_____	_____	_____	_____	_____
Machinery & Equipment	_____	_____	_____	_____	_____	_____
Working Capital	_____	_____	_____	_____	_____	_____
Inventory	_____	_____	_____	_____	_____	_____
Debt Refinancing	_____	_____	_____	_____	_____	_____
Other (specify)	_____	_____	_____	_____	_____	_____
Other (specify)	_____	_____	_____	_____	_____	_____
TOTAL	_____	_____	_____	_____	_____	_____

TOTAL PROJECT COST **\$** _____

CONDITIONS REQUESTED OF TOTAL PROJECT FINANCING

	SWIF LOAN	BANK(S)	EQUITY	(SPECIFY) OTHER	(SPECIFY) OTHER	TOTAL
Amount	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
% of Project Cost	_____ %	_____ %	_____ %	_____ %	_____ %	_____ %
Term (Years)	_____ yrs.	_____ yrs.	_____ yrs.	_____ yrs.	_____ yrs.	_____ yrs.
Interest Rate	_____ %	_____ %	_____ %	_____ %	_____ %	_____ %
Debt Service	_____ /yr.	_____ /yr.	_____ /yr.	_____ /yr.	_____ /yr.	_____ /yr.
Collateral Offered Asset	_____	_____	_____	_____	_____	_____
Lien Position	_____	_____	_____	_____	_____	_____
Collateral Offered Asset	_____	_____	_____	_____	_____	_____
Lien Position	_____	_____	_____	_____	_____	_____

Participating Lender _____

Contact Person _____ Telephone # _____

Participating Lender _____

Contact Person _____ Telephone # _____

IV. JOB CREATION/RETENTION

- A. Provide the following information on the jobs which you expect to create and/or retain due to the loan from the Southwest Initiative Foundation Loan Program: *(Please indicate the number of employees at each wage level and indicate the corresponding benefit level.)*

JOBS TO BE CREATED OR RETAINED

* Full-time equivalents should be used: (40 hrs/week = 1 FTE) (20 hrs/week = .5 FTE) (10 hrs/week = .25 FTE)

Job Title: Mgmt. or General	JOBS CREATED (Number) Full-Time *	JOBS RETAINED (Number) Full-Time *	Health Benefits Offered to How Many Employees?	Hourly Wage Level (Excl. Benefits)	Hourly Value (\$) of Voluntary Benefits (not SS)	Expected Hiring Date
_____	_____	_____	_____	less than \$7.00	_____	_____
_____	_____	_____	_____	\$7.00 to \$7.99	_____	_____
_____	_____	_____	_____	\$8.00 to \$9.99	_____	_____
_____	_____	_____	_____	\$10.00 to \$11.99	_____	_____
_____	_____	_____	_____	\$12.00 to \$14.99	_____	_____
_____	_____	_____	_____	\$15.00 & higher	_____	_____

I certify that all statements made in this application are an accurate representation of my financial condition on this date and are made for the purpose of obtaining the loan indicated. Verification and re-verification of any information contained in this application may be made at any time by the Southwest Initiative Foundation, its agents, successors and assigns, either directly or through a credit reporting agency or another source named in this application at any time while checking the creditworthiness of this loan, or if approved, at any time while said loan has an outstanding balance due.

The Southwest Initiative Foundation, its agents, successors and assigns will rely on the information contained in this application and I/we have a continuing obligation to amend and /or supplement the information provided in this application if any of the material facts which I/we have represented herein should change prior to advancement of funds by the Foundation or at any time thereafter if requested.

It is further agreed that in the event that we make credit application elsewhere either prior to, during the term of, or following the making of the loan sought by this application, the Foundation is also authorized to receive additional credit information and to answer any questions by third parties on their credit experience with the undersigned.

Authorized Signature

Date

Authorized Signature

Date

(SWIF charges closing fees for the cost of document preparation/attorney's fees, and a 1% Origination Fee on most loans. Borrower is also required to provide a check for UCC filing fees and mortgage filing fees. These fees would be charged to the borrower & payable upon closing).

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V. BUSINESS PLAN AND ATTACHMENTS

These narrative and financial documents should be submitted with the application. Make sure to include all of the information that is applicable to the project. If you have any questions that the required documentation may not be pertinent to your business, please call (800)-594-9480 or (320) 587-4848 for further clarification.

- A. Business Plan - This is a listing of material that must be included in your business plan; you may use your own format.
 1. History of Business
 - Briefly describe the past operation of the business or the events leading to its creation.
 2. Market Analysis and strategy
 - a. Description of current buyers and target markets (provide verification of purchase orders, contracts, etc., which relate to reasons for the loan request).
 - b. Competition
 - c. Pricing
 - d. Distribution
 - e. Advertising
 - f. Sales promotion
 3. Products
 - a. Description of product line
 - b. Proprietary position of patents, copyrights, legal and technical considerations.
 - c. Comparison to competition
 4. Manufacturing Process
 - a. Materials
 - b. Production methods
 5. Financials
 - Balance sheet and income statement for the previous three years for the small business. If the small business is new, provide a proforma balance sheet with a description of the assumptions attached.
 - Copies of tax returns for business and personal for the previous three years.
 - Balance sheet and income statement dated within 90 days of the application together with an aging of the accounts receivable and accounts payable listed.
 - Projected annualized income statement for the first two years after the loan with a description of assumptions attached.
 - For a new business, a monthly cashflow analysis for the first 12 months of operation or for three months beyond the breakeven point (whichever is longer) together with a description of assumptions.

- B. Schedule of Business Debts
A detailed list of all bank notes and other debts (i.e. business, trade, accounts payable, etc.).
- C. Resumes and Personal Financial Statements
Resumes and Personal Financial Statement current within 90 days for each proprietor, partner or stockholder with 20% or more ownership of the small business.
- D. Commitment Letters
Include commitment letters from banks or others stating the terms and conditions of their participation and the reason why it will not finance the entire project.
- E. Affiliates
Description of any affiliates or subsidiaries of business or principals requesting assistance, as well as balance sheets and income statement for past two fiscal years on such affiliates or subsidiaries.
- F. A copy of key cost documents such as real estate purchase agreements, cost estimates or bids signed by architect or contractor, blueprints, plans and specifications, vendor quotes for machinery and equipment, etc.
- G. Environmental Assessment (as needed).
- H. Information for Government Monitoring Purposes – For IRP applicants - see Form attached (page 8).
- I. Copy of Articles of Incorporation (or Articles of Organization if LLC), & Corporate By-Laws
- J. Partnership Resolution/Certificate of Authority, or Corporate Resolution/
Certificate of Authority. (*Official documentation that states who is authorized to incur debt for your company*).

Additional items SWIF requires from borrowers before closing if loan request is approved:

- K. For existing businesses, evidence of payment of last quarter's payroll tax.
(*Could be accomplished by certification by accountant, or a copy of last IRS Form 941 filed*).
- L. Evidence of Worker's Compensation insurance coverage.
- M. A letter from the County Clerk of Court verifying that there are no outstanding judgments, and a letter from the County Recorder verifying that there are no outstanding tax liens against the business or owners of the business.
- N. Personal Guaranty.
- O. Assignment of Collateral on life insurance policy on principals/guarantors, and proof of coverage.
- P. Assignment of Collateral on disability insurance policy on principal may be
- Q. Proof of hazard (fire, etc.) insurance on collateral, with SWMF listed as loss payee/mortgagee.
- R. Certificate from the State of Minnesota that indicates the business entity is in good standing and authorized to conduct business in Minnesota. (*Or Certificate of Assumed Name, if not incorporated*)
- S. Items particular to specific loans, i.e.: Buy-sell agreements, Proof of Title, Title Insurance/Opinion (RE Mortgage), Appraisals, Assignment of Lease, Real Estate Tax Statement

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For IRP Loan Applicants - Insert Form: Information for Government Monitoring Purposes