

Dakota CDC's Main Street Loan Program

The purpose of the Dakota CDC Main Street Program is to encourage the creation and stability of small businesses in North Dakota. The Main Street Program will provide financing in participation with a local economic development entity to assist start up and/or emerging small businesses as well as support their job retention mission. Dakota CDC intends to be an integral part of the economic growth and development of North Dakota.

Type of Loans:	Participation with local lenders or direct loan to businesses
Eligible Businesses:	Small Businesses; (new or existing) operating in North Dakota (Visit with DCDC for a complete list of eligibility requirements)
Use:	Working capital, inventory, small equipment
Amount:	Minimum: \$1,000 / Maximum: \$24,999
Term:	Working capital: 1-18 months Equipment: up to 3 years Maximum: 5 years
Rates:	Fixed rate – established at time of Loan approval
Repayment:	ACH payments required on the 1 st of the month
Collateral:	Personal guaranty; 1 st lien on business assets; cosigners, etc.
Equity:	Min. 10% Investment by owner required
Fees:	<u>2%</u> origination fee (min \$100) plus all hard costs

What are the steps to apply for small business financing?

- All businesses will be required to submit a complete application package & business plan. The level of detail will be based on your years in business. You may be required to complete courses on business operations.
- Upon receiving all requested information, your application will be evaluated by Dakota CDC. Credit and lien searches will be completed and a recommendation will be prepared for the Main Street Loan Program review committee.
- The loan review committee will consider the request and approve, disapprove or request further information. If the loan review committee has approved your request, your loan will be closed and disbursed as quickly as possible. Your loan payments will begin at that time.
- Processing time for the Program is generally 1 to 3 weeks.

Technical Assistance: Borrowers may be required to attend Technical Assistance meetings or classes to provide them with help in running their business.

Business Plan Assistance: Contact 1-800-544-4674 for local or area Small Business Development Center nearest you.

“An Equal Opportunity Provider, Employer & Lender”

Main Street Loan Program Application Checklist

- Main Street Loan Program Application
- Release for Credit Information
- Detailed Business Plan
- Personal Financial Statement(s) for all Business Owners (dated within 90 days)
- 2 years Personal Tax Returns for all Business Owners
- Resume(s) for all owner(s) & management
- Bank Statements – Business and/or Personal for the last 2 months
- Historical Balance Sheet & Income Statements and Federal Income Tax Returns for the previous 2 years for the *existing* business (if being purchased please obtain from the seller). If acquiring a business, a proforma/opening balance sheet will also be required
- Current Balance Sheet & Income Statement dated within 90 days of the application together with an Aging of Accounts Receivable and Accounts Payable list for the existing business
- Projected Income Statements of the business the next 2 years of operations.
Must include written description of the assumptions
- If a new business (operating 2 years or less)*-along with 2 years of income projections & assumptions, A monthly cash flow analysis for the first 12 months of operation
- Verification of Collateral (purchase agreements, collateral descriptions, costs docs, titles, etc.)
- Three References (name, address & phone number)
- Copies of Permits & licenses necessary to your business
- Copies of Driver's license (to comply with U.S. Patriot Act) of each owner of the business
- Copies of Articles of Incorporation/Bylaws and/or Partnership Agreements of the business

All documents must be signed & dated - Additional documents may be required.

Business Plan & Financial Assistance: Contact 1-800-544-4674 for local or area Small Business Development Center nearest you.

Project Information

Proposed Uses of Funds

Purchase Land : _____
 Purchase Land & Existing Building: _____
 *New Construction / Remodeling: _____
 Machinery & Equipment: _____
 Purchase / Install Furniture or Fixtures: _____
 Working Capital: _____
 Inventory: _____
 Other: _____
TOTAL PROJECT COST = _____

**If new construction, date building permit was obtained:* _____

Purpose of this Loan Request:

 Date financing needed: _____
 Desired Loan Term: _____ years.

PARTICIPATING BANK INFORMATION:
 Bank: _____ Officer: _____
 Email: _____
 Ph# _____ Fax _____

MUST ATTACH ALL SUPPORTING DOCs - SUCH AS PURCHASE AGREEMENTS, CONSTRUCTION BIDS, VENDOR QUOTES, ETC.

Source of Funds & Equity Injection:

Amount applied for from DCDC \$ _____
 Amount applied for from Bank: \$ _____
 Amount applied for from Local/Regional Funds: \$ _____
 Other Source: _____ \$ _____
 Owner's Equity/Injection: \$ _____ Source of Equity: _____
TOTAL PROJECT COST = \$ _____

COLLATERAL	VALUE	CURRENT LIEN AMOUNT	LIEN HOLDER
_____	\$ _____	\$ _____	_____

Project Location

Purpose of Project/Loan: _____
 Project Address: _____
 City: _____ County: _____ State: _____ Zip: _____

Local Economic Development Organization

Name of Organization: _____
 Name of Contact: _____
 Address: _____
 Phone: _____ Email: _____

Small Business Debt Schedule

Please list all contracts, notes, lines of credit and mortgages payable, and make sure these correspond with figures on your most recent balance sheet (Debts of the Operating Entity). Do not include trade accts payable (see separate section below), only notes, contracts, etc., which constitute fixed obligations.

To whom payable (i.e. current lender)	Original Amount	Original Date	Present Balance	Interest Rate	Maturity Date	Monthly Payment	Collateral Securing this Specific Obligation

Aging of Accounts Receivable and Accounts Payable (if applicable)

Please provide a summary of the aging of your Accounts Receivable and Accounts Payable below. Totals must reconcile with figures on the latest balance sheet that you have provided with this loan application

<u>Aging</u>	<u>Accounts Receivable</u>	<u>Accounts Payable</u>
Under 30 days	\$ _____	\$ _____
30 to 59 days	\$ _____	\$ _____
60 to 89 days	\$ _____	\$ _____
90 to 119 days	\$ _____	\$ _____
120 days & over	\$ _____	\$ _____
Uncollectible	\$ _____	\$ _____
TOTALS	\$ _____	\$ _____

Signature: _____

Date: _____

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 requires 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/ethnicity on the basis of visual observation or surname. If you do not wish to furnish the above information, please check the appropriate area below.

<p><input type="checkbox"/> Applicant I do not wish to furnish info. below</p> <p>Ethnicity (check one) Gender</p> <p><input type="checkbox"/> Not Hispanic or Latino <input type="checkbox"/> Male</p> <p><input type="checkbox"/> Hispanic of Latino <input type="checkbox"/> Female</p> <p>Race (check one or more)</p> <p><input type="checkbox"/> Black/African American</p> <p><input type="checkbox"/> Asian</p> <p><input type="checkbox"/> White/Caucasian</p> <p><input type="checkbox"/> American Indian/Alaskan Native</p> <p><input type="checkbox"/> Native Hawaiian/Other Pacific Islander</p>	<p><input type="checkbox"/> Applicant I do not wish to furnish info. below</p> <p>Ethnicity (check one) Gender</p> <p><input type="checkbox"/> Not Hispanic or Latino <input type="checkbox"/> Male</p> <p><input type="checkbox"/> Hispanic of Latino <input type="checkbox"/> Female</p> <p>Race (check one or more)</p> <p><input type="checkbox"/> Black/African American</p> <p><input type="checkbox"/> Asian</p> <p><input type="checkbox"/> White/Caucasian</p> <p><input type="checkbox"/> American Indian/Alaskan Native</p> <p><input type="checkbox"/> Native Hawaiian/Other Pacific Islander</p>	<p><input type="checkbox"/> Board Members/Corp. Officers I do not wish to furnish info. below</p> <p>Ethnicity (check one) Gender</p> <p><input type="checkbox"/> Not Hispanic or Latino <input type="checkbox"/> Male</p> <p><input type="checkbox"/> Hispanic of Latino <input type="checkbox"/> Female</p> <p>Race (check one or more)</p> <p><input type="checkbox"/> Black/African American</p> <p><input type="checkbox"/> Asian</p> <p><input type="checkbox"/> White/Caucasian</p> <p><input type="checkbox"/> American Indian/Alaskan Native</p> <p><input type="checkbox"/> Native Hawaiian/Other Pacific Islander</p>
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Please provide information for all applicants and all individuals with 20% or more ownership. (Print additional copies of this page if necessary)

DISCLOSURES

U.S. PATRIOT ACT NOTICE

IMPORTANT INFORMATION ABOUT IDENTIFICATION PROCEDURES WHEN OBTAINING AN IRP LOAN

To help the government fight the funding of terrorism and money laundering activities, Federal law requires all Certified Development Companies to obtain, verify, and record information that identifies each person who applies for a Main Street Loan Program Loan.

What this means for you: When you apply for a Main Street Loan Program Loan, we will ask for your name, address, date of birth, and other information that will allow us to identify you. We will also ask to see your driver's license or other identifying documents.

CERTIFICATION

I/We hereby authorize the release, to Dakota Certified Development Corporation (DCDC), of any and all information required at any time for any purpose related to our credit application. I/We further authorize DCDC to release such information to any entity deemed necessary for any purpose related to our credit application/transaction.

Intentional falsification of information, statements, or values for any purpose including, but not limited to the purpose of obtaining any loan, property, or anything of value from DCDC may lead to the disqualification of the applicant and possible criminal prosecution.

I/We hereby certify that I/We have read, understand and agree to the terms and conditions of the Dakota Certified Development Corporation.

I/We hereby certify that the information contained on this application (together with any attachments or exhibits) is valid and true, accurate and correct to the best of my/our knowledge.

_____ Signature	_____ Date	_____ Signature	_____ Date
_____ Signature	_____ Date	_____ Signature	_____ Date

Each Applicant, Proprietor, each General Partner, each Limited Partner or Stockholder owning 20% or more, and each Guarantor must sign.