

Application Materials

This package contains the following application materials for the Hometown Entrepreneur Loan Program (HELP)

1. Application
2. Personal Financial Statement
3. Business History & Market Summary
4. Credit Check Agreement
5. Confidentiality Agreement
6. HELP Requirements



Be sure to review the checklist below to ensure you have completed all of the forms and have the necessary documents in order for your loan to be considered.

RLF Application Requirement Checklist

- Application- HELP 1
- Personal Financial Statement
- Business Plan and/or Business History & Market Summary
 - If your business does not have a business plan you must fill out the Business History & Market Summary
- Signed Authorization to Obtain a Credit Report
- Signed Confidentiality Agreement
- Financial History Report (If applicable, if business has been around fewer than 3 years please substitute personal tax returns for missing years)
 - Income Statements (Profit & Loss) for the Current YTD and last 2 Years.
 - Statements of Cash Flows for the remainder of the current fiscal year.
 - Balance Sheets for the Current YTD and last 2 Years.
 - Financial Projections Report-
 - Income Statement (P&L) for the next 3 years
 - Statements of Cash Flows for the next 1 year
- Individual Financial Statement- Form HELP 3
- Personal Resume- Each owners
- Personal Tax Returns- Last 3 years (Only necessary if business has been around for fewer than 3 years)
- Corporate Documents
 - Articles of Incorporation & Bylaws (if Corporation)
 - Articles of Organization & Operating Agreement (if LLC or LLP)
- \$150.00 non-refundable loan application fee

You may submit individual components of this application to our office however; the application process will not begin until all items on the checklist are submitted in their entirety.

If you have questions regarding specific application materials please feel free to contact our office at 262-741-8527 or email us at info@walworthbusiness.com

Hometown Entrepreneur Loan Program (HELP) Requirements

The Hometown Entrepreneur Loan Program is a small revolving loan fund pool managed by the Walworth County Economic Development Alliance, Inc. It was acquired in 2008 from the United States Department of Agriculture - Rural Development for the use of providing small loans to new and emerging businesses in Walworth County. Under HELP entrepreneurs can secure funds for start-up, business acquisition, and expansion.

Eligibility

To be eligible to borrow funds from HELP, business must be:

- Located in Walworth County
- Have fewer than 50 employees
- Have gross sales under \$1,000,000

Eligible Use of Funds

Funds from Help May be used to:

- Real Estate Acquisition
- Equipment Purchases
- Working Capital
- Construction or renovation

Ineligible Use of Funds

Funds from HELP may not be used to:

- Produce agricultural products except for commercial nurseries
- Timber Operations
- Limited agricultural production related to technical assistance projects
- Programs operated by cable television systems
- Funds can only be used for planning given projects and cannot be used for area wide type planning
- Funds may not be used to refinance existing debt

Types of Financing Available

The following forms of financing are available:

- Real Estate
- Equipment & Construction
- Working Capital

Leveraged Funds

One dollar of private sector investment should be obtained for each dollar of RLF investment. Private sector investment is defined as financing from a private lending institution, public sector business loan programs, other than the Community Development Block Grant program, or new equity that is injected into the business as part of the expansion project. Grants from the Department of Vocational Rehabilitation are not considered eligible matches for loan purposes.

Equity Requirements

Borrower must show a minimum of 10% equity in the project being funded.

Personal Guarantees

In most cases the Budget & Finance Committee will ask the business owner to sign a personal guarantee.

Loan Terms

The maximum funding available to loan applicants is \$50,000, of which matching funds may be required by the loan applicant.

- Working capital loans – up to seven (7) years
- Machinery, equipment & construction – up to ten (10) years
- Real estate – up to twelve (12) years, amortized over 20 years

The interest rate for each loan is set by WCEDA's board of directors and will vary depending upon the borrower's credit and ability to repay funds.

Fees

All fees are taken off of the top of the loan approval.

- \$150 non-refundable loan application fee
- 1% loan origination fee
- All applicable attorney fees
- All title and other collateral security fees



Hometown Entrepreneur Loan Program Application

Walworth County Economic Development Alliance

| BUSINESS INFORMATION | | | | | | |
|--|----------------|--|-------------|--|-----------------------------------|----------------------------------|
| Type of Organization: (enter or select one) | | Sole proprietorship General Partnership | | Limited Liability Corporation Limited Liability Partnership | | Corporation Sub S Corporation |
| Legal Name | | | | Tax ID # | | |
| DBA Name | | | | Business start date | | Start date--current owner |
| Current Address | | City | | State | | Zip Code |
| Mailing Address | | City | | State | | Zip Code |
| Business Telephone | | Business Fax | | Business Website / E-Mail | | |
| Business Description | | | | SSN | | # Current employees |
| LOAN INFORMATION, COLLATERAL TO BE PLEDGED & PROJECT DESCRIPTION | | | | | | |
| Type of Loan Working Capital Equipment/Construction | | Real Estate | | Amount Requested \$ | | Term Requested |
| Collateral to be pledged | | | | | | |
| Accounts Receivable: \$ | | Inventory: \$ | | Equipment: \$ | | |
| Real Estate Address : _____ | | | | Value: \$ | | |
| Project Description(What are funds being used for?): | | | | | | |
| Private Loan Funds Leveraged: \$ | | Amount of Owner Equity Invested: \$ | | | | |
| Third Party Equity Invested: \$ | | Other Funds (Please Describe Below): \$ | | | | |
| Total Project Cost: \$ | | | | | | |
| MANAGEMENT/OWNERSHIP: | | | | | | |
| Name | Title | Salary | Ownership % | Sign at closing? (yes or no) | | |
| | | \$ | | | | |
| | | \$ | | | | |
| | | \$ | | | | |
| BUSINESS FINANCIAL INFORMATION | | | | | | |
| As of date: | Total Assets | Total Liabilities | Net Worth | Sales (last full year) \$ | Net Profit (last full year) \$ | |
| Deposits (Checking/ Savings/ Money Market): | | | | | | |
| Type | Account Number | Financial Institution | | | Current Balance | |
| | | | | | \$ | |
| | | | | | \$ | |
| | | | | | \$ | |
| Loans (Term/ Lines of Credit/ Real Estate/ Bank Card/ Other): | | | | | | |
| Type | Creditor | Collateral | Balance | Payment | Maturity | |
| | | | \$ | \$ | | |
| | | | \$ | \$ | | |
| TOTAL \$ | | | | \$ | | |



Hometown Entrepreneur Loan Program Application

Walworth County Economic Development Alliance

DISCLOSURES

| | | | | | |
|--|---------------|----|---|---------------|----|
| Is the business in the process of a change of ownership? | yes (explain) | no | Has a loss been incurred in the last 3 years? | yes (explain) | no |
| Is Business contingently liable as a Guarantor? | yes (explain) | no | Is there any pending litigation? | yes (explain) | no |
| | | | Is Business delinquent on any debt including loans, trade payables and taxes? | yes (explain) | no |

Explanation(s):

Current Positions Summary

| Job Title | Number of FTE/PTE Positions | Wage Scale |
|-----------|-----------------------------|------------|
| | | |
| | | |

New Positions Summary

| Job Title | Number of FTE/PTE Positions | Wage Scale |
|-----------|-----------------------------|------------|
| | | |
| | | |

APPLICANT NOTICES

Information For Government Monitoring Purposes: The following information is requested by the Federal Government in order to monitor the lender's compliance with equal credit opportunity, fair housing and Federal laws prohibiting discrimination against applicants seeking to participate in this program. You are not required to furnish this information, but are encouraged to do so. This information will not be used in evaluating your application or to discriminate against you in any way. However, if you choose not to furnish it, we are required to note the race/national origin of individual applicants on the basis of visual observation or surname.

Applicant: ☐ I do not wish to furnish this information

Ethnicity: ☐ Hispanic or Latino ☐ NOT Hispanic or Latino

Race/national Origin: ☐ American Indian or Alaska Native (not Alaskan) ☐ Asian
(Select One or More) ☐ Black or African American ☐ Native Hawaiian or Other Pacific Islander
☐ White ☐ Other (Specify) _____

Gender: ☐ Female ☐ Male

USA Patriot Act: In accordance with Section 326 of the USA Patriot Act, all persons and business entities are subject to identity verification requirements. If you request to open an account (any formal banking relationship, including deposits, loans, safe deposits, trusts, etc), the Bank will request documentary verification on your identity and will perform appropriate background checks in compliance with the Act.

APPLICANT ACKNOWLEDGMENT, CERTIFICATION AND AUTHORIZATION:

The Business and its Principals and or Owners (collectively the "Applicant") acknowledge this Application is given to Walworth County Economic Development Alliance for the purposes of obtaining credit and that WCEDA may retain the Application whether or not credit is granted. The Applicant certifies that all information included in the Application and provided in support of the Application is true, accurate and complete and that there are no bankruptcy proceedings involving the Applicant neither in process nor anticipated. The Applicant authorizes WCEDA to obtain information from others on the trade and credit standings of the Business and Principals or Owners along with other relevant information impacting this Application. In addition, if credit is granted, WCEDA is authorized to obtain updated trade or credit reports throughout the term of the loan and, except as prohibited by law, to provide information to others about WCEDA's transactions and experiences with the Applicant.

SIGNATURE(S)

As an authorized agent for the Applicant, I/we confirm that I/we have read fully this Application and its Notices, Acknowledgements, Certifications and Authorizations and concur with all.

| | |
|-------------|-------|
| Signature: | Date |
| Print Name: | Title |
| Signature: | Date |
| Print Name: | Title |

BUSINESS HISTORY & MARKET SUMMARY

In order to best represent your business in the application process, please provide the following information. If you already have a business plan, it can be substituted for this form. Be sure that the business plan addresses all the areas requested on this form. If not, use this form to address those specific items. Feel free to provide any additional information, which you feel is important in describing and explaining your business.

BUSINESS NAME: _____

THE DESCRIPTION AND HISTORY OF BUSINESS

A. What is the "essence" of the business and what makes it unique?

B. When and why did it start?

C. What have been its stages of growth?

D. What are the company's strengths and weaknesses?

E. What business moves are important this year and future years? (Provide timetable)

THE PROJECT

A. Describe the proposed project, what will be purchased and need for financing.

B. Project timetable.

C. How will project help achieve the company's goals?

THE PRODUCTS AND / OR SERVICES OF THE BUSINESS

A. Describe current product lines and/or services.

B. Are you planning any new product and/or service offerings? If yes, describe.

THE MARKET

A. Describe your company's market area.

B. Is the market growing? shrinking? changing in emphasis?
(include statistical and trade information supporting trends)

C. Are your company's sales cyclical? Yes_____ No_____ If yes, describe the cycle.

D. Describe who your company's customers are. (age, demographics, income, etc.)

E.. Identify specific competitors (direct and indirect) and their strengths and weaknesses.

F. How have you addressed competition?

THE MARKET STRATEGY

A. What is your company's niche in the market? How will you set yourself apart?

B. Explain your company's pricing system.

C. What sales methods are used and how do they help you to achieve your goals?

D. What methods of advertising and promotion will be used and why will they work?

THE OPERATION

A. Describe the current facility and any proposed changes.

B. Describe the current staffing pattern and anticipated changes.

**PERSONAL FINANCIAL STATEMENT**

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 | \$ |
| | | Net Worth | \$ |
| Total | \$ | 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 |
| Other Income (Describe below)* | 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 WCEDA 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: _____



Developing Talent, Building on Innovation

1000 East Centralia Street
Elkhorn, WI 53121-2032

Office 262-741-8527
Facsimile 262-741-8529

PERMISSION TO RELEASE CONFIDENTIAL INFORMATION

I authorize Walworth County Economic Development Alliance, Inc. to release the
(Lender)
following confidential information for the use of publication:

Signed _____ Date _____

Title _____ Company _____

Address _____



Developing Talent, Building on Innovation

400 County Road H
Room 105
Elkhorn, WI 53121
Office: 262-741-8527

AUTHORIZATION TO OBTAIN CONSUMER CREDIT REPORT

I authorize Walworth County Economic Development Alliance, Inc. ("WCEDA") to obtain a consumer credit report on me. WCEDA will use the consumer credit report to confirm my residency address and determine whether my income is eligible to support a loan. Upon request, WCEDA will provide me with the name and address of the Consumer Reporting Agency contacted to supply the report. I understand that credit inquiries have the potential to impact my credit score.

Signature

Date

Printed name

Social Security number

Signature

Date

Printed name

Social Security number

Signature

Date

Printed name

Social Security number