

## **REVOLVING LOAN FUND GUIDELINES**

### Eligible Activities:

Land Acquisition	Public Facilities & Improvements
Construction	Rehabilitation
Working Capital Expenses	

### Interest Rate & Term Limit:

3.5 % interest rate for up to seven years.

### Size of Loan:

Maximum amount is \$100,000. One permanent full time job per \$15,000 must be created or retained. 51% of the new hires must be low to moderate income. The business must leverage a minimum of 51% of the total project cost. The City of West Frankfort is not to be the sole source or leading lender in the project.

### Requirements:

Must provide financial statements and balance sheets for the previous three years of operations, same documentation being less than 90 days old. Personal financial statements of all principals owning more than 20% of business; a one-year monthly cash flow projection; a two-year projected financial statement, a projected pro forma balance sheet; commitment by participating lending institution. Applicant will provide a business plan ensuring market feasibility, listing business goals and objectives. Applicant must include the number and types of jobs created, percentage of low to moderate income employees, and proposed wage rate. Small businesses or new ones can substitute historical financial statements with 3 years of tax statement & business/market plans.

**THE CITY OF WEST FRANKFORT  
REVOLVING LOAN APPLICATION**

**A. COMPANY**

**1. Legal Name and Address of Applicant:**

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Name \_\_\_\_\_

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Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_ County \_\_\_\_\_

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Contact Person \_\_\_\_\_ Title \_\_\_\_\_ Phone Number \_\_\_\_\_

**2. Name and Address of Principal Occupant or User (if different from #1)**

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Name \_\_\_\_\_

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Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_ County \_\_\_\_\_

**3. Type of Business (manufacturing, retailing, distribution, etc.):** \_\_\_\_\_

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**4. Federal Tax ID Number or Borrower's Soc. Sec. Number** \_\_\_\_\_

**5. Form of Organization of Borrower(s)**

- a. \_\_\_\_\_ Individual Proprietorship
- b. \_\_\_\_\_ Partnership: \_\_\_\_\_ General \_\_\_\_\_ Limited  
\_\_\_\_\_ Illinois \_\_\_\_\_ Other State, \_\_\_\_\_
- c. \_\_\_\_\_ Corporation: \_\_\_\_\_ Private \_\_\_\_\_ Public
- d. \_\_\_\_\_ State of Incorporation: \_\_\_\_\_ Date: \_\_\_\_\_  
\_\_\_\_\_ Other: \_\_\_\_\_

**6. Is the Company Wholly or Partly Owner by Any Other Business?**

\_\_\_\_\_ NO \_\_\_\_\_ YES (Explain) \_\_\_\_\_

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**7. Names & addresses of principal shareholders (10% or more) and all general partners:**

<b>Name and Address</b>	<b>Percent of Ownership</b>
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**7. Management:**

**Please list those people who will be responsible for the management of the company. (Attach personal resumes).**

<b>Name</b>	<b>Position</b>	<b>Percent Ownership</b>	<b>Date of Employment</b>
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**8. History of Business:**

**Show date established, employee growth, sales growth, profit growth and the roles of company officials, if established business, etc.**

**B. PROJECT**

**10. Project Description:**

**Briefly describe all elements of the proposed project.**

**11. Describe the products to be produced at the proposed facility:**

**12. Number of Current Employees** \_\_\_\_\_

**Number of New Employees** \_\_\_\_\_

13. Amount of Loan Request: \$ \_\_\_\_\_

Total Project Cost: \$ \_\_\_\_\_

**Source and Use of Funds**

Please complete Source and Use of Funds. Cash Equity means amount of cash You are contributing to the loan. List bank (s) that will participate in the loan and their amount(s). Identify other lenders and the amounts they may be lending to the project. Be sure to identify for each participant how funds will be used.

<u>Source</u>	<u>Amount</u>	<u>Use(s) (Land, Machinery, Inventory, Working Capital)</u>
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Equity: Cash Injection

Bank (s):

City of West Frankfort:

Other:

Totals:

**C. CERTIFICATION**

The purpose of the Revolving Loan Fund is to support business activities for which credit is not otherwise available on terms and conditions which would permit completion and/or the successful operation or accomplishment of the project in the City of West Frankfort. The lender reserves the right to recall the loan if these requirements are not met. The applicant shall pay all legal fees related to the proposed loan incurred by the City of West Frankfort. The undersigned, duly authorized officers of the Applicant, do hereby certify that the filing of this application was duly authorized by its Board of Directors (or governing body), that the statements made in the foregoing application and in all exhibits and documents submitted in connection therewith are true and correct to the best information and belief of the undersigned and are submitted as a basis for the loan.

NAME OF APPLICANT \_\_\_\_\_

Corporate President or Owner \_\_\_\_\_ Date \_\_\_\_\_

ATTEST: \_\_\_\_\_ Date \_\_\_\_\_

## ATTACHMENT A

**Please describe fully the collateral to be offered to the City of West Frankfort as security for the loan (i.e. first or second mortgage, first or second lien on equipment, personal guarantees, corporate guarantee, co-signer, etc.)**

APPLICANT: \_\_\_\_\_

**COMPARATIVE BALANCE SHEET FOR THE PREVIOUS THREE YEARS**

ASSETS				
Current Assets:	Year Ending / /	Year Ending / /	Year Ending / /	Interim / /
Cash & Marketable Securities				
Accts. Rec.				
Inventory				
Prepaid Expenses				
Other Assets				
<b>TOTAL Current Assets</b>				

**FIXED ASSETS**

**TOTAL Net Fixed Assets:**

Notes Receivable				
Inv. In Subsidiaries				
Intangibles				
Other Assets				
<b>TOTAL ASSETS:</b>				

**LIABILITIES & NET WORTH**

**Current Liabilities:**

Short-Term N/P Bank				
Short-Term N/P Other				
Accts. Payable				
Accrued Salaries				
Accrued Payroll Tax & Deduction				
Current Portion Long-Term Debt				
Other Current Liabilities				
<b>TOTAL LIABILITIES:</b>				

**Long-Term Debt – Notes Payable:**

Real Estate Mortgages				
Subordinated (Officer) Debt				
Other Fixed Liabilities				
<b>TOTAL LIABILITIES:</b>				
Common Stock				
Capital Surplus				
Retaind Earnings - Treasury Stock				
<b>TOTAL LIABILITIES &amp; NET WORTH</b>				

APPLICANT: \_\_\_\_\_

Company Name: \_\_\_\_\_

**THREE YEAR PROJECTION OF SALES AND EARNINGS**

	Year Ending / /	Year Ending / /	Year Ending / /
Gross Sales			
Less Cost of Goods Sold			
Gross Profit			
Expenses:			
Selling			
General & Admin.			
Depreciation			
Interest			
Rent			
Advertising			
Repairs & Maint.			
Equip. Rental			
Supplies			
Utilities			
Real Estate Taxes			
Payroll Taxes			
Loss for Bad Debt			
Accounting & Legal			
Payroll Expenses			
Other Expenses			
<b>TOTAL EXPENSES:</b>			
Net Profit (EBT)			
Less Fed. Income Tax			
Less State Income Tax			
<b>NET PROFIT AFTER TAXES</b>			

**PRO FORMA BALANCE SHEET**

	Balance At Start Up	Balance At End of Year 1	Balance At End of Year 2	Balance At End of Year 3
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**CURRENT ASSETS:**

Cash & Mktable Securities				
Accts. Rec.				
Inventory				
Prepaid Expenses				
Other Assets				
<b>TOTAL CURRENT ASSETS:</b>				

**FIXED ASSETS:**

Notes Receivable				
Inv. In Subs.				
Intangibles				
Other Assets				
<b>TOTAL ASSETS</b>				

**CURRENT LIABILITIES:**

Short Term N/P Bank				
Short Term N/P Other				
Accts. Payable				
Accrued Salaries				
Accrued Payroll Tax & Deduction				
Current Portion Long Term Debt				
Other Liabilities				
<b>TOTAL CURRENT LIABILITIES:</b>				

**LONG TERM DEBT – NOTES PAYABLE**

Real Estate Mtg.				
Subordinated (Officer) Debt				
Other Liabilities				
<b>TOTAL LIABILITIES:</b>				

**COMMON STOCK**

Capital Surplus				
Retaind Earnings				
Less Treasury Stock				
<b>TOTAL LIABILITIES &amp; NET WORTH:</b>				

**COMPARATIVE PROFIT & LOSS STATEMENT FOR THE PREVIOUS THREE YEARS**

Year Ending      Year Ending      Year Ending      Interim  
 / /                    / /                    / /                    / /

Gross Sales				
Less Cost of Goods Sold				
Gross Profit:				

**EXPENSES:**

Selling				
General & Admin				
Depreciation				
Interest				
Rent				
Advertising				
Repairs & Maint				
Equip. Rental				
Supplies				
Utilities				
Real Estate Taxes				
Payroll Taxes				
Loss for Bad Debt				
Accounting & Legal				
Payroll Expense				
Other Expenses				
<b>TOTAL EXPENSES:</b>				

**NET PROFIT /LOSS:**

Operating Profit (Loss)				
Other Income				
Profit (Loss) before Taxes				
Less Income Taxes				
<b>TOTAL NET PROFIT/LOSS:</b>				