

**KERR-TAR REGIONAL COUNCIL OF GOVERNMENTS**

**REVOLVING LOAN FUND**

Post Office Box 709, 1724 Graham Ave.  
Henderson, North Carolina 27536  
Telephone: (252) 436-2040 Fax: (252) 436-0255

**APPLICATION**

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(All questions should be answered or indicated to be applicable)

TO: THE REGION K REVOLVING LOAN FUND

1. APPLICANT'S NAME: \_\_\_\_\_ SS# \_\_\_\_\_

SPOUSE'S NAME: \_\_\_\_\_ SS# \_\_\_\_\_

2. ADDRESS: \_\_\_\_\_  
\_\_\_\_\_

3. PHONE: \_\_\_\_\_ FAX: \_\_\_\_\_ DATE \_\_\_\_\_

4. If applicant is a corporation, identify the officers, directors and principal shareholders, giving complete name and address for each:

5. If applicant is a partnership, give complete name and address of each partner.

## **I. PROJECT DESCRIPTION**

(Generally describe the project, giving purpose of loan. Supply any information (not specifically requested in this application) you feel is necessary to an understanding of the project. Attach an additional sheet if necessary.)

## II. PLAN FOR FINANCING PROJECT

(NOTE: Region K MRLP loans will ordinarily range between \$25,000 - \$200,000)

### A. Financing

1.) Bank Loan(s) (identify):

Source: \_\_\_\_\_ Amount: \_\_\_\_\_

Source: \_\_\_\_\_ Amount: \_\_\_\_\_

Source: \_\_\_\_\_ Amount: \_\_\_\_\_

2.) Other Private Resources:

Source: \_\_\_\_\_ Amount: \_\_\_\_\_

Source: \_\_\_\_\_ Amount: \_\_\_\_\_

Source: \_\_\_\_\_ Amount: \_\_\_\_\_

3.) Kerr-Tar Revolving Loan Fund Program Amount: \_\_\_\_\_

4.) Other Public Sources:

Source: \_\_\_\_\_ Amount: \_\_\_\_\_

Source: \_\_\_\_\_ Amount: \_\_\_\_\_

Source: \_\_\_\_\_ Amount: \_\_\_\_\_

5.) Applicants Equity:

Existing facilities and property at cost Amount: \_\_\_\_\_

Cash Amount: \_\_\_\_\_

6.) Other

Source: \_\_\_\_\_ Amount: \_\_\_\_\_

B. Terms of loan (NOTE: Working Capital loans cannot exceed five years and shall be amortized during its term. Fixed assets loans will not be for a great term than the life of the fixed assets or 15 years, whichever is shorter.)

Repayment: \_\_\_\_\_

Requested Interest Rates: \_\_\_\_\_

C. Is this loan request for: Fixed Assets \_\_\_\_\_; Working Capital \_\_\_\_\_

D. The purpose of 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 of accomplishment of the project in the following eligible areas: Franklin, Granville, Person, Vance and Warren Counties. The Kerr-Tar Regional Council of Governments reserves the right to recall the loan if these requirements are not met. In the following spaces, please submit evidence that without these RLF funds, this proposed project will not take place.

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E. Identify all lending institutions and agencies that have been contacted concerning financing of project, which you do not anticipate will participate in the project.

Approved

Disapproved

1. \_\_\_\_\_

Please state reasons for disapproval and include turndown letter from private institution, agency, etc.

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### III. GENERAL INFORMATION

- A. Is this:
- 1.) A new venture?  Yes  No
- 2.) An expansion of existing business?  Yes  No
- B. Does Project involve a relocation?  Yes  No
- C. (For loans to corporations) Has the Board of Directors approved loan application?  Yes  No
- D. Do you have a Market Analysis of effect of project?  Yes  No

## IV. SALES INFORMATION

### A. Sales

1.) Last year's sales (for established businesses only) \$ \_\_\_\_\_

2.) This year's projected sales (for established businesses only) \$ \_\_\_\_\_

3.) One year projected sales after Disbursements of loan (all applicants) \$ \_\_\_\_\_

### B. Income (before taxes)

1.) Last year's net income (for established businesses only) \$ \_\_\_\_\_

2.) This year' projected income (for established businesses only) \$ \_\_\_\_\_

3.) One year projected net income after loan is disbursed (all applicants) \$ \_\_\_\_\_

**V. COST ELEMENTS OF PROJECT**

A.	Land improvements (e.g. landscaping)	\$ _____
B.	Land	\$ _____
C.	Construction	\$ _____
D.	Machinery/equipment	\$ _____
E.	Architect/engineer	\$ _____
F.	Other costs interim	\$ _____
G.	Interest	\$ _____
H.	Legal	\$ _____
I.	Accounting	\$ _____
J.	Working Capital	\$ _____
K.	Contingency	\$ _____
L.	Other _____	\$ _____
	<b>TOTAL PROJECTED COST</b>	<b>\$ _____</b>

These estimates are based on:

\_\_\_\_ Tentative plans of applicant;

\_\_\_\_ Detailed plans and specifications;

\_\_\_\_ Other

## VI. SUMMARY OF COLLATERAL OFFERED

(Attach separate sheets describing nature and value of assets offered as collateral)

	<u>Original Cost</u>	<u>Present Market Value</u>	<u>Present Liens or Mortgage Balance, if any,</u>
A. Land	_____	_____	_____
B. Buildings	_____	_____	_____
C. Business machinery and equipment	_____	_____	_____
D. Business Furniture	_____	_____	_____
E. Accounts receivable	_____	_____	_____
F. Inventory	_____	_____	_____
G. Other (specify)	_____	_____	_____

H. Which of the above collateral is being purchased or constructed as a part of the project: (A. \_\_\_\_; B. \_\_\_\_; C. \_\_\_\_; D. \_\_\_\_; E. \_\_\_\_; F. \_\_\_\_; G. \_\_\_\_;)

I. If applicant is a corporation, are any individuals willing to guarantee the loan? (Yes\_\_\_\_ No\_\_\_\_). If applicant is an individual or partnership, are any persons other than applicant willing to guarantee the loan? (Yes\_\_\_\_ No\_\_\_\_). If yes, give the name and address of each person.

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If applicant is corporation and principal owners of corporation are not willing to guarantee loan, state reasons

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**VII. PROJECTED COMMUNITY BENEFITS**

- A. Employment: for the purpose of this form, the following are considered a minority person: Black, Hispanics, Asian/Pacific Islanders, American Indian/Alaska Natives.

**PRESENT EMPLOYEES (IF NOW IN OPERATION)**

TOTAL			MINORITY		
Sex	Number	Payroll Dollars	Sex	Number	Payroll Dollars
F			F		
M			M		
Total			Total		

**SIX (6) MONTHS AFTER LOAN DISBURSEMENT**

TOTAL			MINORITY		
Sex	Number	Payroll Dollars	Sex	Number	Payroll Dollars
F			F		
M			M		
Total			Total		

**12 MONTHS AFTER DISBURSEMENT OF LOAN**

TOTAL			MINORITY		
Sex	Number	Payroll Dollars	Sex	Number	Payroll Dollars
F			F		
M			M		
Total			Total		

- B. List dollar investment per job created or saved:

RLF Loan Amount: \$\_\_\_\_\_ + Jobs Created or Saved: \_\_\_\_\_ = Dollars/Job \$\_\_\_\_\_

Signature of Owner or Principal Officer:

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TITLE \_\_\_\_\_ TELEPHONE: \_\_\_\_\_

Signature of Owner or Principal Officer:

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TITLE \_\_\_\_\_ TELEPHONE: \_\_\_\_\_

## CERTIFICATE OF ASSURANCES

The applicant assures and certifies that the applicant and/or a beneficiary of the loan will comply with all appropriate state and federal laws, as they relate to the application and the acceptance and use of federal funds for this federally assisted project. In addition, the applicant gives assurances and certifies with respect to the loan that:

1. It possesses legal authority to apply for the loan that a resolution, motion or similar action has been duly adopted and passed as an official act of the applicant's governing body, authorizing the filing of the application, including all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the applicant to act in connection with the application and to provide such additional information as may be required.
2. It will comply with the provisions of: Executive order 11988, relating to evaluation of flood hazards, Executive Order 11288, relating to the prevention, control and abatement of water pollution, and Executive Order 11990, relating to protection of wetlands.
3. It will provide and maintain competent and adequate architectural, engineering supervision and inspection at the construction site to insure that the completed work conforms with the approved plans and other such information as the Kerr-Tar Regional Council of Governments may require.
4. It will give the Kerr-Tar Regional Council of Government, the Economic Development Administration, and the Comptroller General of the United States through any authorized representatives access to and the right to examine all records, books, papers, or documents related to the loan.
5. It will require the facility to be designed to comply with the "American Standard Specifications for Making Buildings and Facilities Accessible to, and Usable by, the Physically Handicapped," Number A117.1-1961, as modified (41 CFR 101-17-703). The applicant will be responsible for conducting inspections to insure compliance with these specifications by the contractor.
6. (a) It will comply with Title VI of the Civil Rights Act of 1964 (P.L. 88-352) and in accordance with Title VI of the Act, no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to, discrimination under any program or activity for which the applicant receives Federal financial assistance and will immediately take any measure necessary to effectuate this agreement. If any real property or structure thereon is provided or improved with the aid of Federal financial assistance extended to the applicant, this assurance shall obligate the applicant, or in the case of any transfer of such property, any transferee, for the period during which the real property or structure is used for a purpose for which the Federal financial assistance is extended or for another purpose involving the provision of similar services or benefits.  
  
(b) It will comply with the Civil Rights laws listed below. The application of these laws is described and explained in EDA's Civil Rights Guidelines.
  - (1) Section 112 of Public Law 92-65 (42 U.S.C. 3123) Prohibits sex discrimination in assistance provided under the Public works and Economic Development Act of 1965, as amended.

- (2) Section 504 of the Rehabilitation Act of 1973 (26 U.S.C 794) and 15 CFR Part 8b, subsections a, b, c and e (Regulations of the Department of Commerce implementing Section 504 of the Rehabilitation Act) Prohibits discrimination against the handicapped in any program or activity receiving Federal financial assistance.
  - (3) Section 303 of the Age Discrimination Act of 1975 (42 U.S.C. 6102). Prohibits discrimination on the basis of age in any program or activity receiving Federal financial assistance.
  - (4) Executive Order 11246. Provides the Federal contractors or Federally assisted contractors shall not discriminate on the basis of race, color, religion, sex, or national origin.
  - (5) Title 15 CFR Part 8. (Regulations of Department of Commerce implementing Title VI).
  - (6) Title 13 CFR Part 311. (Civil Rights regulations of the Economic Development Administration).
  - (7) Sections of Title V of the Civil Rights Act of 1964 (42 USC 2000d) prohibiting employment discrimination where (1) the primary purpose of the loan is to provide employment or (2) discriminatory employment practices will result in unequal treatment of persons who are or should be benefiting from the loan-aided activity.
- (c) It assures that subsequent modifications of the regulations listed in Section 11 (b) will be complied with.
7. It will comply with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646), which provided for fair and equitable treatment of persons displaced as a result of Federal and federally assisted programs, or persons from whom land for the purpose of the project is being acquired.
  8. It will comply with all requirements imposed by the Federal sponsoring agency concerning special requirements of law, program requirements, and other administrative requirements.
  9. It will comply with the minimum wage and maximum hours provisions of the Federal Fair Labor Standards Act as they apply to the applicant.
  10. It will insure that the facilities under its ownership, lease, or supervision which shall be utilized in the accomplishment of the project are not listed on the Environmental Protection Agency's (EPA) list of Violating Facilities and that it will notify the Kerr-Tar Regional Council of Governments of the receipt of any communication from the Director of the EPA Office of Federal Activities indicating that a facility to be utilized in the project is under consideration for listing by the EPA.
  11. It will comply with the flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973, Public Law 93-234, 87 Stat. 975, approved December 31, 1976 of flood insurance in communities where such insurance is available as a condition for the receipt of any Federal financial assistance for construction or acquisition purposes for use in any area that has been identified by the Federal Emergency Management Agency (FEMA) as an area having special flood hazards. The phrase "Federal financial assistance" includes any form of loan, grant, guaranty, insurance payment, rebate, subsidy, disaster assistance loan or grant, or any other form of direct or indirect Federal assistance.

12. It will assist the Kerr-Tar Regional Council of Governments in its compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. 470), Executive Order 11593, and the Archeological and Historic Preservation Act of 1966, (16 U.S.C. 469A-1) by (a) consulting with the State Historic Preservation Officer on the conduct of investigations, as necessary, to identify properties listed in or eligible for inclusion in the National Register of Historic Places that are subject to adverse effects (see 36 CFR Part 800.8) by the activity, and notifying the Federal grantor agency of the existence of any such properties, and by (b) complying with all requirements established by the Kerr-Tar Regional Council of Governments to avoid or mitigate adverse effects upon such properties.
13. It will comply with the provisions of the Davis-Bacon Act, as amended (40 U.S.C 276a- -2761-5). Such provisions include the payment of prevailing wage rates of the area as determined by the Secretary of Labor, to laborers and mechanics employed by contractors for all construction undertaken in connection with this project.
14. It assures that the restriction against the use of lead-based paint as required by Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4831) will be included in all contracts and subcontracts involving the use of Federal funds to construct or rehabilitate residential or institutional structures (as defined at 13 CFR 309.29).
15. It will give and it will require employers who are Substantial Beneficiaries of public works assistance (as defined at 13 CFR 309.10) and contractors or subcontractors (as required by 13 CFR 305.54) to give preferential consideration, wherever possible, to the long term employed and underemployed residing in the project area, in connection with the project assisted by EDA. (See Instructions, p. 39).
16. It will not use the loan funds for the purpose of serving an industrial or commercial enterprise, which intends to relocate or curtail its operation in another location, which would result in an increase of unemployment at the previous location of such work.
17. It assures that no owner of the entity or no owner of an interest in the entity receiving the loan is related by blood, marriage, law or business arrangement to any officer or employee of the Kerr-Tar Regional Council of Governments or any member of the Kerr-Tar Regional Council of Governments' Board of Directors, or a member of any other Board which advises, approves, recommends or otherwise participates in decisions concerning the loan.

PROJECT: \_\_\_\_\_

DATE: \_\_\_\_\_

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

\_\_\_\_\_  
(Signature and Title of Applicant Official)

## Required Documentation of RLF Applications

THE FOLLOWING INFORMATION **MUST ACCOMPANY A COMPLETED APPLICATION BEFORE A REVOLVING LOAN FUND (RLF) REQUEST CAN BE PROCESSED:**

1. **A "letter of denial" from a bank.** The Kerr-Tar Regional Council of Governments (COG) RLF Program is designed to fill gaps in existing local financial markets. The RLF program is not a substitute for conventional lending sources. Before filing an RLF application, you must first formally apply for the loan with a bank. If the bank declines to participate in full or in part, you may then apply for a loan under the RLF program. If the bank denies your request, it can provide you with a letter of denial. A letter of denial must accompany you RLF application. The letter of denial must state the loan amount requested from the bank and the specific reasons that the loan request was denied.
2. **A completed Personal Financial Statement.** A sample format is included (<http://www.kerrtarcog.org/bbt.html>) in the application packet. Any bank can provide you with a similar format. This is just a sample; any format providing the same information is acceptable.
3. **A Business Plan.** Assistance with writing a business plan can be obtained free of charge by contacting Diane Finch of the Small Business Center at Vance-Granville Community College in Henderson. An informational brochure listing the services offered by the Small Business Center is attached.
4. **A Resume of the loan applicant(s).** The resume should adequately summarize the business and professional experience of the applicant for the last 10 years. Resumes for all administrative and operational management personnel, principals in the business, and persons guaranteeing the loan should also be included.
5. **Latest Balance Sheet and Profit/Loss Statement (for existing businesses).** These financial statements should not be over 90 days old.
6. **Annual Balance Sheet and Profit/Loss Statements for last three years (for existing businesses).**
7. **A 24-month cash flow projection and analysis (for existing and proposed businesses).**
8. **Information on all of applicant's parents, subsidiaries and/or affiliated enterprises (if applicable).** The required information includes: 1.) Name, address, nature of business and extent of affiliation; 2.) Latest balance sheet and profit/loss statement (not over 90 days old); and 3.) Annual balance sheet and profit/loss statements for last three years.
9. **A list of any business related equipment that is owned by the applicant and has a value of over \$100.**

**VIII. ADDITIONAL REQUIRED INFORMATION**

- A. Include copies of the following documents signed by the appropriate persons: (copies only as doc will not be returned).
  - 1. For existing businesses:
    - (a) Latest Balance Sheet and P & L Statement (Not older than 90 days)
    - (b) Annual Balance Sheet and P & L Statements for each of last three years.
  - 2. For all individual applicants, principals in businesses and persons guaranteeing loan, current financial statements and resumes.
  
- B. Include any other information, which will help us assess the changes for success of your venture or proposed project and how this project will contribute to the economic well being of the people in the area.

**IX. ASSURANCE**

- A. To the best of my knowledge and belief, data in this application is true and correct and the Application will comply with the attached assurances if the assistance is approved.

NOTICE TO The APPLICANT: The Fair Credit Reporting Act (Public Law 91-508), requests that Kerr-Tar Regional Council of Governments advise you that a routine inquiry may be made in the processing of your application which will provide applicable information to the Kerr-Tar Regional Council of Governments concerning your character, general reputation personal characteristics and mode of living. Upon your written request, additional information as to the nature of the report will be provided to you.

**X. SECURITY DEPOSIT**

- A. A \$1,000 Security Deposit must accompany this application when submitted.

Officer or Person Responsible for Project:

NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_ TELEPHONE: \_\_\_\_\_

Signature of Owner of Principal Officer:

\_\_\_\_\_

TITLE: \_\_\_\_\_ TELEPHONE: \_\_\_\_\_