

Van Wert Revolving Loan & Microenterprise Program

INFORMATION REQUIRED BEFORE APPLICATION IS SUBMITTED

1. Completed Application.
2. Annual Balance Sheet, three (3) prior years, or years that business has been operating. If less the three (3) years, must reconcile with Income Statement and Statement of Cash Flow.
3. Annual Operating Statements, three (3) prior years, or prior year that business has been operating, including Income Statements and Statement of Cash Flow. If less than three (3) years, must reconcile with Balance Sheets.
4. Financial Projections for next three (3) years, including Balance Sheet, Income Statement, and Statement of Cash Flow.
5. Personal Financial Statements – List all assets and liens that are against them.
6. Credit Bureau Report.
7. Business Description and History of Business including how this project fits into the history and how it will affect profitability.
8. Site, Plot Plan – Where it is located in the county, how is the business laid out, will project affect this.
9. Business Commitment Letter – Acknowledging at least 5% equity injection on existing business or 20% equity injection on start up.
10. Resumes of Principals and Officers (20% Owners or above) – Looking for experience on this or other business enterprises.
11. Business Plan (we have an example).
12. Cost Certification (third party estimates or Projection of Cost – cannot be related parties).
13. All other financing commitment letters – (bank, investors, etc.)
14. Business Commitment of jobs.

RLF Loan and Microenterprise Loan Approval Process Steps

1. Fill out Financing Inquiry to outline basic information including: amount of funds needed and number of jobs created and submit to EDO.
2. Project then submits business plan and three-year financials (profit and loss, W2's and balance statement). Business plan must include basic information on how the business got started and where it plans to go. Should also include a management strategy, and projections. Submit to EDO.
3. Project makes presentation to the RLF committee (committee has previously been copied on all above materials). Committee agrees on terms and conditions of loan based on RLF procedures. Collateral typically include UCC filings and personal guarantees. Minutes reflect agreement made.
4. Loan Review Report and Eligible Activity Determination forms are filled out by EDO and sent to the State RLF Coordinator with copy of minutes from RLF meeting and commitment letter(s) from private financing sources to show local match.
5. Within about two weeks, State sends go-ahead letter to EDO.
6. City then presents ordinance to council to make an appropriation in the amount approved by the RLF committee.
7. Project prepares resolution indicates its' intent to go ahead with the project signed by officers.
8. City then executes a promissory note and amortization schedule for signature by project and security documentation is completed including, if necessary: UCC filing, security agreement and mortgage.
9. If EZ has been applied for and approved by county and school board, the city will also need to pass a resolution approving an EZ tax abatement.