

## **PURPOSE:**

Loans are made from the revolving loan funds to projects that will create or retain jobs.

## **DESCRIPTION:**

The fund will provide assistance to business owners wishing to start, expand, or relocate a retail or commercial business in or to the Webster City Area.

Assistance will be provided for acquisition of land, buildings, equipment, working capital, inventory, construction, rehabilitation, and/or other necessary business expenses.

## **ELIGIBILITY:**

Funds will be available to non-agricultural, for-profit retail and commercial businesses with demonstrated repayment ability.



Committed to the future of rural communities.

Webster City Area Chamber of Commerce

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# **WEBSTER CITY AREA CHAMBER OF COMMERCE**



# **REVOLVING LOAN FUND PROGRAM**

### **FORMS OF ASSISTANCE:**

Assistance will be in the form of a direct loan to the business.

Collateral will be required.

### **GENERAL REQUIREMENTS:**

Applicants of the Revolving Loan Fund will be required to meet their financial needs from other resources and commercial financial institutions whenever possible.

### **LOAN LIMITS:**

The maximum loan amount will be the lesser of \$25,000 or 50% of the total project cost. Refinancing of existing debt is not an allowable use of the fund. Businesses will not be allowed more than one loan.

### **SELECTION PROCEDURE:**

The loan application will be reviewed by the Webster City Area Development and Chamber of Commerce staff. If the application is found to be complete and meets the criteria for approval, a recommendation will be made to the Executive Board of Webster City Area Development and Chamber of Commerce for final approval.

Please note that this process can take up to one month from the date of application completion.

### **APPLICATION PROCEDURE:**

Applications are available at the office of

the Webster City Area Chamber of Commerce.

Applications will be accepted at any time as long as there is a capital balance in the Revolving Loan Fund account.

Applications are reviewed by the Staff and Executive Committee and a funding decision will be made within 30 days of the receipt of the application.

If a quicker turn around time is required by the business, every effort will be made to accommodate the necessary time frame, but notification upon application is required.

### **SELECTION CRITERIA:**

Applications will be selected based on the following criteria:

- ◆ Need
- ◆ Practicality of Business Plan
- ◆ Feasibility of project
- ◆ Project impact on local area

### **DOCUMENTATION REQUIRED:**

Applications must be accompanied by a



WEBSTER CITY AREA  
Chamber of Commerce

Business Plan including:

- ◆ 3 Years Historical Financial Statements (*Balance Sheet and Profit & Loss Statement*)
- ◆ Schedule of Existing Debt (*Aged Accounts Receivable & Accounts Payable Statements, Schedule of Other Debts*)
- ◆ 3 Years Business Projections (*Projected Profit and Loss Statements for the next 3 years*)
- ◆ Income Tax Return of Business (*if applicable*)
- ◆ Personal Financial Statements for Principal Owner(s) of Business (*Balance Sheet, Income Statement, Copy of Last Tax Return*)
- ◆ Commitment Letters from other Lenders (*Documentation of Commitment of Proposed Project Funds from bank, city, business, etc...*)
- ◆ Appraisal and Copies of Bids, Quotes, Estimates, or any other Cost Documentation for Project Activities
- ◆ Documentation of the Current Number of Employees (*copy of payroll*)

*For an application packet, which lists the details of the RLF, or if you have any questions, please contact the staff at the Chamber office (address listed on back)*