



**Limestone Bluffs Resource
Conservation & Development, Inc.**
PO Box 421 Mechanicsville, IA 52306 • 563-221-1930
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RURAL BUSINESS ENTERPRISE REVOLVING LOAN PROGRAM

The Limestone Bluffs Resource Conservation and Development (RC&D) Area, Inc. is administering a Rural Business Enterprise Revolving Loan (RBERL) program targeted towards new or expanding small businesses in Cedar, Clinton, Delaware, Dubuque, Jackson, and Jones counties in Iowa. The Revolving Loan Funds was established through a grant from USDA Rural Development with matching funds from Limestone Bluffs RC&D Area, Inc.

The Rural Business Enterprise Revolving Loan (RBERL) is designed to assist the six eastern Iowa counties included in the Limestone Bluffs Resource Conservation and Development (RC&D) Area, Inc. overcome gaps in local capital markets that inhibit emerging small businesses from obtaining suitable credit and impede economic growth and stability.

The initial use of the RBERL will target communities of less than 5,000 population and the non-incorporated rural areas in Cedar, Clinton, Delaware, Dubuque, Jackson, and Jones counties in Iowa.

Goals, Eligibility, and Priority for Loans: Limestone Bluffs RC&D will consider RBERL loan applications that result in the creation, retention and expansion of small businesses in the above six counties based on the following priorities:

1. natural resource based enterprises,
2. value-added or alternative agriculture enterprises,
3. enterprises providing needed facilities and services to low income, under employed, or the elderly, and
4. small main street businesses.

Use of Loan Funds: Funds from the Rural Business Enterprise Revolving Loan Program may be used for:

- Acquisition and development of land, easements, and rights-of-way for small and emerging private business startup and expansions.
- Construction, conversion, enlargement, repairs or modernization of buildings, plants, machinery, equipment, access streets and roads, parking areas, utilities, and pollution control and abatement facilities.

- Loans for startup operating costs and working capital.

Funds from the Rural Business Enterprise Revolving Loan Program will **not** be used:

- To produce agricultural products through growing, cultivation and harvesting either directly or through horizontally integrated livestock operations except for commercial nurseries, greenhouses, or timber operations.

Loan Selection Process: Loan Application forms are available online at www.limestonebluffsrcd.org or by request from the Limestone Bluffs RC&D office. Applicants may also request assistance from Limestone Bluffs RC&D in completing application forms. Limestone Bluffs RC&D Area, Inc. can be contacted at:

Limestone Bluffs RC&D
P.O. Box 421
Mechanicsville, IA 52306
Phone: (563) 221-1930

A Loan Review Committee will evaluate each application utilizing two analyses. The first analysis shall be concerned with how the project meets the goals and priorities of the program. The second analysis will evaluate the financial aspects of the project and primary beneficiary.

Loan Amount, Rate, Term, and Match: A maximum and minimum loan amount has not been set. However, it is anticipated that most RBERL loans will range from \$5,000 to \$50,000. The interest rate will typically range from 3-5% and typically will not exceed prime rate by more than 2%. The Loan Committee as defined in the application's scope of work will determine the interest rate. It is anticipated that the term of most loans will be between two and five years. The maximum term will be five years. If the life of the collateral offered for security is longer than five years an amortized loan can be considered with a balloon at five years. The amount of match (other than RBERL funds) will vary; however, on average Limestone Bluffs RC&D will strive to become involved in projects that are financed as follows:

- at least 10 percent cash or equity by applicant,
- up to 60 percent by banks or other programs,
- up to 45 percent by RBERL,
- RBERL funds will not exceed 50 percent of the total funds loaned from all sources.

Equal Opportunity/Nondiscrimination Statement: The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, gender, religion, age, disability, political beliefs, sexual orientation, and marital or family status. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large prints, audiotape, etc.) should contact USDA's TARGET Center at 202-720-2600 (voice and TDD). To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, Room 326 W. Whitten Building, 14th and Independence Avenue, SW, Washington, DC 20250-9410 or call (202 720-5964 (voice or TDD). USDA is an equal opportunity provider and employer.

APPLICATION

RURAL BUSINESS ENTERPRISE REVOLVING LOAN

Limestone Bluffs Resource Conservation and Development Area, Inc.

Instructions: Please keep your response brief and to the point. Limestone Bluffs RC&D staff may be able to assist you in completing this application upon request. If it is necessary to use additional space for a response, attach additional sheets. Be sure you indicate which question your response is for if additional sheets are used.

Part I Identification

Name (s) _____ Phone (home) _____

Address: _____ Phone (work) _____

_____ Fax _____

_____ E-mail _____

Federal I.D. or Social Security Number: _____

Part II Business Activity and Background

A. Briefly describe your type of business enterprise and history. What products will be produced and how will they be sold?

B. What natural resources will be impacted as a result of your business enterprise? What value-added processes will it include?

C. What will you be using the loan for?

D. Briefly describe enterprise organizational structure, (personal, regular corporation, partnership, subchapter S, etc.):

If you are organized as a corporation, partnership, or limited liability company, please attach copies of your organizational documents and your Certificate of Good Standing from the Secretary of State.

E. Do others have a financial interest in the business enterprise? _____

IF yes, provide their names, addresses, and percent of ownership.

F. Name and contact person of current financial institutions that are currently providing or will be providing financing to your business?

G. May we contact your financial institution regarding this loan application and your credit history? _____ Yes _____ No

Explain if you have defaulted or failed to make any scheduled payments on debt within the last ten years.

H. Number of jobs to be created and saved as a result of the project (loan) in the next 24 months? _____ Created _____ Saved

I. What will be the employees starting wages? _____

What benefits will be provided?

J. If applicable, explain how newly created jobs will be available to the unemployed, under employed, women, and minorities.

K. Is/will this enterprise be your primary source of income? _____

If not, what percentage? _____

L. Has the project started? _____ If not, when will it start? _____

Part III Financial

RBRL Loan requested from Limestone Bluffs RC&D Area, Inc. \$ _____

Applicant equity or cash _____

Other Loans _____

Other equity _____

Total Project Costs _____

A. What is the requested term (number of years) for the RBERL loan? _____

B. What type of security and in what amount will be provided in exchange for the loan?

C. What seniority or position will be given to Limestone Bluffs RC&D Area, Inc. if the loan is approved?

D. If the project will involve the purchase of existing facilities or used equipment, how will its value be determined?

Part IV Additional Information

Limestone Bluffs RC&D Area, Inc. reserves the right to ask for additional information regarding the environmental impact of business operations and facilities, personal and business financial statements, copies of past tax forms, business plan, marketing plan, and other information.

A. Additional brief comments that you would like to make regarding your application for this loan.

Part V Optional Information

"The following information is requested by the Federal Government in order to monitor compliance with 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."

Ethnicity:

Hispanic or Latino _____

Not Hispanic or Latino _____

Race: (mark one or more)

White _____

Black or African American _____

American Indian/Alaska Native _____

Asian _____

Native Hawaiian or Other Pacific Islander _____

Gender: Male _____ **Female** _____

Part VI Fee Structure

A \$100 application fee shall be submitted with each application. Costs associated with processing the application (e.g. credit report fees, UCC and lien search fees, filing security documents, filing legal documents fees, etc.) shall be the responsibility of the applicant. The Loan Committee may waive or amend this fee structure without further approval from the grantor.

Part VII Signature/Date

Name

Date

LIMESTONE BLUFFS RESOURCE CONSERVATION AND DEVELOPMENT AREA, INC.

INFORMATION DISCLOSURER AUTHORIZATION

I/We have applied for a loan through Limestone Bluffs RC&D (Lender). As part of the application process, the Lender is authorized to verify the information contained in my/our credit application or other documents required with this loan. Since this loan request is in conjunction with at least one additional lender I/We also authorize Lender to share information with any and all other lending institutions which are involved with this loan package. This authorization also allows Lender to share and receive information with all other lending institutions involved with this loan request.

I/We authorize others to provide to Lender and to other lending institutions, investors or insurers of this loan, any and all information and documentation requested. Such information may include, but is not limited to: employment and income history; bank, money market, and similar account balances; credit history; copies of income tax returns. The source of information may come from, but is not limited to: credit bureaus; banks and other depository institutions; current and former employers; federal or state records including State Employment Security Agency records; or other sources as required.

A photographic copy of this authorization (being a photographic copy of the signature(s) of the undersigned) may be deemed to be the equivalent of the original and may be used as a duplicate original.

This authorization continues in effect for one (1) year unless limited by state law, in which case the authorization continues in effect for the maximum period, not to exceed one (1) year, allowed by law.

Signature

Social Security or TIN #

Date

Signature

Social Security or TIN #

Date

Privacy Act Notice: This information is to be used by the organization collecting it in determining whether you qualify as a prospective borrower under its program. It will not be disclosed outside this organization except as authorized by you in this authorization. The exception would be to your employer(s) for verification of employment or to financial institutions for verification of your deposits and loans as permitted by law. You do not have to give us this information, but if you do not your application for approval as a prospective borrower may be delayed or rejected. The information requested in this form is authorized by Title 38, U.S.C., Chapter 37 (if VA); by U.S.C., Section 1701 et seq. (if HUD/FHA); by 42 U.S.C., Section 1452b (if HUD/CPD); Title 42, U.S.C., 1471 et seq., or 7 U.S.C., 1921 et seq. (if U.S.D., FmHA).