



McHENRY COUNTY

LOAN FUND

APPLICATION

McHenry County
Economic Development
Corporation

5435 Bull Valley Road, Suite 324, McHenry, IL 60050

www.mcedc.com * 815.363.0444

McHENRY COUNTY LOAN FUND INFORMATION

McHenry County has a Loan Fund for the purpose of encouraging economic growth and increasing the size of its commercial and industrial base. The McHenry County Loan Fund (MCLF) is a government funded program that helps build business in McHenry County. The MCLF is administered by the McHenry County Board and marketed by the McHenry County Economic Development Corporation.

Funds can be used for a wide variety of purposes including site development and infrastructure costs, building expansion or renovation, leasehold improvements, moving cost or the purchase of new or used machinery or equipment. To qualify to apply to the Loan Fund an applicant must conduct business operations in McHenry County, or as part of the Loan Fund application, will be locating or relocating business operation to McHenry County. Projects of a speculative nature are not eligible for funding.

McHenry County business will find that the MCLF is an affordable source of financing that can be used with or in place of a traditional commercial or SBA loan. Advantages include:

- Low-cost source of financing
- Long Term Maturity
- Quick response time
- Minimal upfront costs
- Lower costs than SBA loans.

Any new or expanding business located in McHenry County is eligible to apply for this low-cost loan and must meet the following criteria:

- A. The maximum loan amount shall be \$200,000 or 45% of the total project costs, whichever is greater.
- B. All loans must be secured with collateral deemed adequate to support the debt.
- C. Loans are amortized with monthly payments to a maximum maturity of 7 years. Payments begin approximately 30 days after closing the loan.
- D. Interest rates are determined by the County Board are tied to the yield for U.S. Treasury Securities. The interest rate is determined at the time loan documentation is prepared. The present rate schedule is as follows:

| <u>MATURITY</u> | <u>INTEREST RATE</u> |
|-----------------|--|
| 3 Years | 3 yr. Treasury yield + 100 basis points (b.p.) |
| 4 Years | 4 yr. Treasury yield + 125 b.p. |
| 5 Years | 5 yr. Treasury yield + 150 b.p. |
| 6 Years | 6 yr. Treasury yield + 175 b.p. |
| 7 Years | 7 yr. Treasury yield + 200 b.p. |

- E. There is a \$100.00 non-refundable application fee.
- F. The borrower will reimburse the county for any expenses incurred in filing its lien, documenting the loan, or other related lending costs.

The approval process takes approximately two weeks from the receipt of a fully completed application. Funding is subject to the availability of funds and applicants are served on a first come, first served basis. Approval is based on the company's ability to repay the loan.

For further information contact: McHenry County Department of Administration 815.334.4041, 2200 North Seminary Avenue, Woodstock, IL 60098.

McHENRY COUNTY LOAN FUND APPLICATION

DATE OF REQUEST: _____ TOTAL PROJECT COST: _____

APPLICATION FEE: \$100.00 AMOUNT OF LOAN REQUEST: _____
(non-refundable)

NAME OF BUSINESS: _____

CHIEF EXECUTIVE OFFICER: _____

BUSINESS ADDRESS: _____

CITY, STATE & ZIP: _____

TELEPHONE #: _____ FAX #: _____ EMAIL: _____

FEIN #: _____ SIC PRODUCT CODE #: _____

DATE OF INCORPORATION: _____ DATE STARTED: _____

NAME OF BUSINESS = Please use legal name as shown on your Articles of Incorporation or filed under Assumed Name Act.
FEIN # = Federal Employer Identification Number
SIC Code = Standard Industrial Classification Code

LIST THE NAMES OF ALL OWNERS HAVING 20% OR GREATER INTEREST

EACH OWNER WILL NEED TO COMPLETE A PERSONAL FINANCIAL STATEMENT

NAME: _____

ADDRESS: _____

CITY, STATE & ZIP CODE: _____

DAYTIME TELEPHONE: _____ FAX #: _____ EMAIL: _____

SOCIAL SECURITY NUMBER: _____

NAME: _____

ADDRESS: _____

CITY, STATE & ZIP CODE: _____

DAYTIME TELEPHONE: _____ FAX #: _____ EMAIL: _____

SOCIAL SECURITY NUMBER: _____

I/we authorize the McHenry County Department of Administration to make all inquiries deemed necessary to verify the accuracy of the statements made herein and to determine my/our credit worthiness.

I/we certify the above and the statements contained in the schedules herein are a true and accurate statement of my/our financial condition as of the date stated above.

Signature

Signature

Date: _____ Date: _____

NOTE: Your financing institution's application and documentation can be submitted in lieu of the MCLF application if all requested information is provided.

A. COMPANY PROFILE: Please provide a brief company profile as a separate attachment:
(1) Company History (2) Company's primary activities (3) Market information (4) Project description

B: BUSINESS INFORMATION:

ORGANIZATION:

- Sole Proprietorship Franchise Partnership LLC
 Subchapter "S" Corporation Public or Private Corporation Other
 WBE/MBE/DBE (if applicable) _____

EMPLOYMENT:

Full Time Employees: _____ Part Time Employees: _____ Owners: _____ **Total Employees:** _____

ANTICIPATED JOB CREATION: Full time: _____ Part Time: _____

C: SOURCE OF FUNDS: Please indicate the source(s) of funding for the entire project, as applicable.

Owner: _____% _____\$ Bank: _____% _____\$ MCLF: _____% _____\$ Other _____% _____\$

PARTICIPATING BANK (If applicable): *You will need to submit a fully documented letter of commitment from your lender.*

NAME OF BANK: _____

LOAN OFFICER: _____

ADDRESS: _____

CITY, STATE & ZIP: _____

TELEPHONE #: _____ FAX #: _____ EMAIL: _____

DURATION OF BANK LOAN: _____

SPECIAL CONDITIONS: _____

D: PERSONAL FINANCIAL STATEMENT:

As of _____ (date)

Please provide the appropriate designation (Choose one or more)

- A sole proprietorship by the proprietor
 A partnership by each partner
 A corporation by each officer and each stockholder with 20% or more ownership
 Any other person or entity providing a guaranty on the loan

NAME: _____ RESIDENCE PHONE: _____ Email: _____

RESIDENCE ADDRESS: _____

CITY, STATE & ZIP: _____

SOCIAL SECURITY #: _____ DRIVER LICENSE #: _____

COMPANY NAME: _____

| ASSETS | | LIABILITIES | |
|-------------------------------|----|-----------------------------|----|
| Cash on hand and in banks | \$ | Accounts payable | \$ |
| Savings accounts | | Notes payable | |
| IRA | | Installment account (Auto) | |
| | | Mo. payments \$ | |
| Accounts and notes receivable | | Installment account (Other) | |
| | | Mo. payments \$ | |
| Life insurance-cash | | | |
| Surrender value only | | Mortgages on real estate | |
| Stocks and bonds | | Unpaid taxes | |
| Real estate | | Other liabilities | |
| Automobile - present value | | | |
| Other personal property | | Total liabilities | |
| Other assets | | Net worth | |
| Total | \$ | Total | \$ |

| SOURCE OF INCOME | | CONTINGENT LIABILITIES | |
|--------------------------|----|----------------------------------|----|
| Salary | \$ | As endorser or co-maker | \$ |
| Net investment income | | Legal claims & judgments | |
| Real investment income | | Provision for federal income tax | |
| Other income (describe)* | | Other special debt | |
| | | (Describe) | |
| | | | |
| | | | |
| | | | |

(*Alimony or child support payments need not be disclosed in "Other Income" unless it is desired to have such payments counted toward total income.)

| NOTES PAYABLE TO BANKS AND OTHERS | | | | | |
|-----------------------------------|------------------|-----------------|----------------|-----------------------|--|
| Name and address of note holder | Original balance | Current balance | Payment amount | Terms (monthly, etc.) | How secured or endorsed type of collateral |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

| STOCKS AND BONDS: (Use separate sheet if necessary.) | | | | |
|--|--------------------|------|---------------------------------|-----------------|
| Number of shares | Name of securities | Cost | Market value quotation/exchange | Date and amount |
| | | | | |
| | | | | |
| | | | | |

| REAL ESTATE OWNED: (List each parcel separately - Use supplemental sheets if necessary - identify and sign each sheet.) | | | | | | | |
|---|----------------------|----------------|---------------|---------------|------------------|-------------------|--------------------|
| Address-type of property | Title is in name of: | Date purchased | Original Cost | Present Value | Mortgage Balance | Amount of payment | Status of mortgage |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |

LIST ALL CREDIT REFERENCES: (Including credit cards i.e. Visa, Master Card).

| FIRM NAME | ACCOUNT NUMBER | BALANCE DUE | ACCOUNT/LOAN IN THE NAME OF |
|-----------|----------------|-------------|-----------------------------|
| | | | |
| | | | |
| | | | |

Have you had any outstanding judgments (last 7 years) or been declared bankrupt, had a foreclosure of property or been evicted?
 Yes _____ No _____

BANK ACCOUNTS: (Additional information may be attached.)

NAME OF BANK: _____

CITY, STATE & ZIP: _____

ACCOUNT IN THE NAME OF: _____

TYPE OF ACCOUNT: _____ ACCOUNT NUMBER: _____

NAME OF BANK: _____

CITY, STATE & ZIP: _____

ACCOUNT IN THE NAME OF: _____

TYPE OF ACCOUNT: _____ ACCOUNT NUMBER: _____

NAME OF BANK: _____

CITY, STATE & ZIP: _____

ACCOUNT IN THE NAME OF: _____

TYPE OF ACCOUNT: _____ ACCOUNT NUMBER: _____

OTHER PERSONAL PROPERTY: (Describe and if any is mortgaged, state name and address of mortgage holder and amount of mortgage, terms of payment, and if delinquent, describe delinquency.)

OTHER ASSETS, NOTES AND ACCOUNTS RECEIVABLE: (Describe)

UNPAID TAXES: (Describe in detail, type, to whom payable, when due, amount and what, if any, property the tax lien attaches.)

OTHER LIABILITIES: (Describe in detail)

LIFE INSURANCE HELD: (Give face amount of policies, name of company and beneficiaries.)

COMPANY NAME: _____

E: LENGTH OF EMPLOYMENT: (Please provide 5 years of employment history.)

COMPANY NAME: _____

ADDRESS: _____ CITY AND STATE AND ZIP: _____

TELEPHONE: _____ POSITION HELD: _____

TO: _____ FROM: _____ REASON FOR LEAVING: _____

.....

COMPANY NAME: _____

ADDRESS: _____ CITY AND STATE AND ZIP: _____

TELEPHONE: _____ POSITION HELD: _____

TO: _____ FROM: _____ REASON FOR LEAVING: _____

.....

COMPANY NAME: _____

ADDRESS: _____ CITY AND STATE AND ZIP: _____

TELEPHONE: _____ POSITION HELD: _____

TO: _____ FROM: _____ REASON FOR LEAVING: _____

F: RESIDENCE HISTORY: (Please provide previous address/s to cover past seven (7) years:

| Address | City | Length of Residence |
|---------|-------|---------------------|
| _____ | _____ | _____ |
| _____ | _____ | _____ |
| _____ | _____ | _____ |
| _____ | _____ | _____ |

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Please use the attached checklist to expedite your application.

APPLICATION CHECKLIST

MACHINERY AND EQUIPMENT: Describe major equipment or classes of equipment to be acquired with loan funds.

- New machinery/equipment – Supply vender cost estimates. Amount: _____
- Used machinery/equipment – Provide an appraisal demonstrating that the fair market value is in line with the purchase price. Purchase price: _____ Appraisal value: _____

LAND AND BUILDING INFORMATION: Describe the land/building to be acquired with loan funds.

- An appraisal by a certified appraiser _____ Appraised value
- Purchase option or agreement _____ Contractor/Architect's cost estimate
- Rental/Lease agreement
- Environmental impact study – land purchase
- Location Map
- Survey

INVENTORY: Describe inventory to be acquired with loan funds.

- New: inventory vendor cost estimates Amount: _____
- Used: appraisal demonstrating fair market value Appraised value: _____

FINANCIAL INFORMATION:

- Current balance sheet and operation statement no older than 90 days
- Three year historical financial statement prepared by firm's independent accountant. Additional financial statements may be required. - Balance sheet - Profit and Loss Statement - Reconciliation of equity **or**
- Prior three (3) year tax statements
- Projected earnings report – Three (3) year projected balance sheet and Profit and Loss Statement
- Collateral/Security pledges for loan funds
- One (1) year monthly projected cash flow statement
- Are there or will there be any other liens on the collateral: Yes _____ No _____ If yes, describe:

FOR SOLE PROPRIETORSHIP: Operating licenses/DBA Certification
 Resume of company owner/manager

FOR CORPORATIONS: Articles and certificates of incorporation
 Copy of corporate by-laws

FOR PARTNERSHIPS: Certificate of Partnership (for limited partnership)
 Partnership Agreement
 Certificate of Good Standing

FOR FRANCHISE: Franchise agreement
 Franchiser's financial statement
 Franchise disclosure statement

OTHER ITEMS: Bank commitment letter
 Equity contribution letter(s)

ALL SOURCES OF LEVERAGING MUST BE FIRMLY DOCUMENTED IN COMMITMENT LETTERS, LOANS FROM FINANCIAL INSTITUTIONS MUST HAVE LANGUAGE INDICATING THE LOAN AMOUNT, SPECIFIC TERM AND INTEREST, COLLATERAL AND SHOWING THE LOAN IS APPROVED.

EQUITY CONTRIBUTION OR LOANS BY OWNER(S) MUST BE DOCUMENTED THROUGH SIGNED LETTERS FROM THE COMPANY.

- Insurance Certificate showing McHenry County as Loss Payee