

OIL REGION ENTERPRISE ZONE REVOLVING LOAN PROGRAM

Attached is a copy of the Oil Region Enterprise Zone (OREZ) loan application. What follows is some basic information regarding the program. **Please review this sheet prior to completing the loan application.**

- 1) Only for-profit entities that are involved in manufacturing a product are eligible for this program. The business concern must be located within the Oil Region Enterprise Zone area. This area is basically the central industrial core of the County, but you should check with the contact listed below for assurance.
- 2) This loan program is typically designed for smaller projects in need of gap financing. Funds availability fluctuates with each loan repayment or loan made.
- 3) OREZ loan funds can only finance up to 50% of the total project financing needed.
- 4) Loan proceeds can be used for building projects, machinery and equipment purchases, and working capital. Loan terms and interest rates will vary according to the project type and project particulars.
- 5) Business plans are required for new start-ups and 3 years of financials are required for existing businesses at the very least. Other financial information may be required.
- 6) Borrower must create or retain 1 job within 3 years for every \$35,000 borrowed.
- 7) Borrower understands that if the business relocates out of the zone before the loan is paid off, the loan balance will become payable within 60 days.
- 8) **Borrower understands that a 1% loan application fee (minimum of \$400 and maximum of \$2,500) will be required at the time of loan application. In the event the application is denied or should the loan applicant withdraw the loan request, the fee will be refunded EXCEPT for any costs incurred by the Enterprise Zone (ie. credit reports, legal fees, etc.)**
- 9) Loan applications are accepted anytime and should be sent to:

Oil Region Enterprise Zone
Franklin City Hall
430 – 13th St.
Franklin, PA 16323

- 10) Questions about the program and/or the loan requirements should be directed to:

Tracy Jamieson, Coordinator
(814) 437-7841 or tjamieson@franklinpa.gov

**OIL REGION ENTERPRISE ZONE
REVOLVING LOAN FUND APPLICATION
430 – 13th St., Franklin, PA 16323
Phone: (814) 437-7841
Fax: (814) 437-1119
Email: tjamieson@franklinpa.gov**

Applicant Information

Please print or type

Name: _____

Address: _____

Phone: _____ Fax: _____

Email: _____ Fed. ID#: _____

Social Security#: _____

Applicant's Attorney (Name/Address/Phone) _____

Have you (personally) or your company/partnership or any principals ever filed for bankruptcy? _____

IF yes, when? _____

Provide details – see page 4 "E" _____

Type of Business:

When Business Formed: _____

Corporation _____ Partnership _____ Ltd. P-Ship _____ Sole Proprietor _____

If a corporation or partnership, list the names of officers/partners, their Social Security numbers, and e of interest held by each:

Major Products Manufactured or Services Offered: _____

SIC/NAICS Code: _____

Present Commercial Banks(s) _____

Employment Information

Current # employees company-wide _____ Full-time _____ Part-time _____
 Current # employees on site _____ Full-time _____ Part-time _____
 # to be hired due to this loan _____ Full-time _____ Part-time _____
 # to be retained due to this loan _____ Full-time _____ Part-time _____

Project Description Briefly describe your project and how this loan will be used. Explain why this project is needed. (Please print or type)

Proposed Use of Enterprise Zone Funds

Total Enterprise Zone Funds Requested		\$	*
<i>* Describe how EZ funds will be used in lines A, B & C (must equal funds requested)</i>			
	A	New Construction/Rehabilitation/Property Acquisition	\$
	B	Machinery, Equipment, and/or Fixtures	\$
	C	Working Capital and/or Inventory	\$
Applicant Equity/Other Funding (must be at least equal to EZ funds requested)		\$	
TOTAL PROJECT COST		\$	

Attach budget, cost estimates, quotes, etc. to justify amount of EZ funds you are requesting and include a Sources and Uses chart to show the uses of other funding and where it is coming from.

Assets & Liabilities of Applicant

<u>Assets</u>	<u>Present Market Value</u>	<u>Present Loan Balance & Remaining Years</u>	<u>Location</u>
Land & Building			
Inventory			
Accounts Receivable			

Assets & Liabilities of Applicant (cont.)

<u>Assets</u>	<u>Present Market Value</u>	<u>Present Loan Balance & Remaining Years</u>	<u>Location</u>
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Machinery & Equipment			
Furniture & Fixtures			
Bank Accounts			
Owner Equity			

Existing Liabilities of Applicant

Accounts Payable		\$	
Total Notes Payable		\$ (List Below)	
<u>Creditor</u>	<u>Present Amount Owed</u>	<u>Monthly Payment</u>	<u>Months Remaining</u>
Total Mortgages Payable		\$ (List Below)	
<u>Creditor</u>	<u>Present Amount Owed</u>	<u>Monthly Payment</u>	<u>Months Remaining</u>
Total Judgments Payable		\$ (List Below)	
<u>Creditor</u>	<u>Present Amount Owed</u>	<u>Monthly Payment</u>	<u>Months Remaining</u>

Attach additional sheets, if necessary

Name/Phone/Email of Contact Person able to answer questions relevant to the financial information provided: _____

Name/Address/Phone of Debtor(s) and amounts **owed to you, the applicant.**

References (Names/Address/Phone)

Principal Suppliers: _____

Principal Customers: _____

Lending Institutions: _____

Other References: _____

You must furnish the following additional information with this application:

- A. Detailed budget/cost figures for entire project and source of funding. Fifty (50%) percent must be from sources *other than* this loan request.
- B. Audited financial statements for the preceding three years and for the year-to-date (Balance Sheet, Income Statement, Cash Flows).
- C. Business Plan (including a 2-year pro-forma cash flow statement), if a new business.
- D. Relevant deeds, option, and/or lease arrangements.
- E. Details of any pending lawsuits.
- F. Details of any bankruptcy or insolvency proceedings against the company or principals during the past seven years.
- G. Proposed project schedule with estimated start and completion dates.

-4-

ASSURANCES (PLEASE READ CAREFULLY)

1. I/We certify that all information in this application and in the accompanying exhibits is true and complete to the best of my/our knowledge.

2. I/We agree to create and/or retain 1 job for every \$35,000 borrowed and I/we agree to report all such job-related information as requested from the Oil Region Enterprise Zone. I/We further understand that if the jobs are not created, the Oil Region Enterprise Zone reserves the right to increase the interest rate to conventional rate for the balance of the term of the loan.
3. I/We give assurance that I/we will comply with all appropriate statutes and regulations including Sections 112 and 113 of Volume 13 of the Code of Federal Regulations. These Code Sections prohibit discrimination on the grounds of race, color, sex, religion, familial status, handicap, age or national origin. Any violation can result in the readjusting of interest to the average commercial lending rates present at the time of the violation.
4. I/We give assurance that the Oil Region Enterprise Zone representative has my/our permission to confirm or verify any financial data or any information contained in the application for financial assistance.
5. I/We give the assurance that this project is in compliance with all local, state and federal environmental and zoning regulations and I/we understand that, as a condition of this loan, may be required to produce evidence of such.
6. I/We understand that any omission of required information will result in this application not receiving full consideration.
7. I/We understand that, if awarded this loan, and I/we relocate this business outside of the Oil Region Enterprise Zone before the loan is paid in full, the outstanding balance of the loan shall become due and payable within 60 days.
8. I/We understand that the principals of the firm cannot receive a salary or any form of stipend through any loan funds provided through this program and that the requested funds must be used to serve the purpose for which they are loaned.
9. I/We understand that the Oil Region Enterprise Zone may, at its discretion, report any delinquency in loan payments to established credit bureaus.
10. I/We understand that a 1% loan application fee (minimum of \$400 and maximum of \$2,500) will be required at the time of loan application. In the event the application is denied or should the loan application be withdrawn by me/us, the fee will be fully refunded EXCEPT for any costs incurred by the Enterprise Zone (ie. credit reports, legal fees, etc.).

-5-

I HAVE READ AND AGREE TO THE ABOVE ASSURANCES

Date: _____

If applicant is a Proprietor or General Partner, sign below:

Printed Name of Applicant

Signature of Applicant

Witness or Attest

If applicant is a Corporation, sign below:

Name of Applicant

Date

Name of CEO

Title

Signature of CEO

Attest: _____
Corporate Secretary Seal

Prior to loan closing, corporate borrowers will be required to present an executed corporate resolution which authorizes this borrowing of funds.