

Rangeley Lakes Region
MICRO-LOAN PROGRAM

APPLICATION

Mail to:

**Micro-Loan Program
Rangeley Town Office
P.O. Box 1070
Rangeley, ME 04970**

RANGELEY LAKES REGION MICRO-LOAN PROGRAM GUIDELINES

PURPOSE

TO PROVIDE AFFORDABLE FINANCING TO NEW AND EXISTING BUSINESSES IN THE TOWN OF RANGELEY AND THE PLANTATIONS OF RANGELEY, SANDY RIVER AND DALLAS.

LENDING CRITERIA

◆ Applicants for Micro-Loan funds must be an owner, partner, chief executive officer or have power-of-attorney to apply for financing.

ELIGIBLE ACTIVITIES

Types of activities that can be financed with Micro-Loan funds include, but are not limited to:

- ◆ Real property acquisition, construction or rehabilitation, which is essential to the operation of the business;
- ◆ Capital equipment;
- ◆ On-site utilities;
- ◆ Inventories;
- ◆ Working capital.

NEED FOR FINANCING

◆ Each application will be reviewed by the Loan Review Committee to determine that financing is necessary in order for the project to be viable. Micro-Loan funds cannot be substituted for available bank financing or personal resources of the owner.

AMOUNT OF FINANCING AND TERMS

◆ Loans can be a minimum of \$2,000 and a maximum of \$25,000. Interest rates will be fixed at 1% above prime rate. The term will not exceed 10 years. A monthly amortization schedule will be required unless another appropriate method is deemed suitable by the Loan Review Committee.

FEES

◆ A \$50.00 application fee will be paid after the pre-application phase and before the final application phase. The applicant will pay all recording fees upon approval of loan applications.

EQUITY REQUIREMENTS

◆ Loans that exceed \$15,000 will require a dollar-for-dollar match of money for the portion that exceeds \$15,000. Other loan conditions may apply as established by the Loan Committee.

AMOUNT OF FINANCING PER JOB CREATED/RETAINED

- ◆ Loans in any amount up to \$7,500 will be expected to create/retain a minimum of one (1) part-time job (16 to 31 hours per week).
- ◆ Loans of \$7,500 to \$15,000 will be expected to create/retain a minimum of one (1) full-time (32 hours per week or more), or part-time equivalent.
- ◆ Loans of \$15,000 to \$25,000 will be expected to create/retain one (1) full-time and one (1) part-time job or part-time equivalents.

COLLATERAL REQUIREMENTS

- ◆ All loans must be 100% secured with sufficient collateral. Collateral may be in the form of land, buildings, equipment and other assets that have enough equity value to match the loan.

APPLICATION COSTS

- ◆ Any costs incurred by the applicant in preparing documentation for the application to the Micro-Loan program will be borne by the applicant as well as any costs associated with legal document preparation, review, recordings, filing and closing documents. Program staff can provide some assistance with the application process and provide referrals to free business assistance services.

PENALTIES

- ◆ A late payment charge of five percent (5%) of the loan payment will be added in the event a loan payment is fifteen (15) days in arrears.

For more information on the Rangeley Lakes Region Micro-Loan Program or to obtain an application, please contact: Karen Olivieri, Rangeley Town Office at (207) 864-3326 or write to P.O. Box 1070, Rangeley, ME 04970.

Personal Information

Name:	Previous Address:	
Date of Birth:	County:	
Home Address:	Town:	Zip Code:
Town:	Zip Code:	Length of Residency in Maine:
Telephone Number:	U.S. Citizen:	
Length of Time at Current Address:		

Number of People in your household:

List names, relationship and dependent status, if applicable. Include yourself.

NAME	RELATIONSHIP	DEPENDENT STATUS

Business Information

Is your business existing?	Proposed?	Length of Time at Address:
Business Name:		Business Organization: (circle one)
Date Started (if applicable):		Sole Proprietorship: Partnership:
Business Address:		Corporation: Non-Profit: For-Profit:
Town:	Zip Code:	Joint Venture: Other: _____

Is your proposal to start, expand or strengthen your business?

Explain the business, service or job you plan to begin, expand or strengthen:

How many jobs will your proposal create?

Retain?

Of the created jobs, how many do you plan to have taken by low-to-moderate income persons?

How do you intend to use your Micro-Loan? What positive impact will the loan have on your business?

Loan Amount and References

Loan Amount:

How much cash will you or your business be contributing to the proposal?

List three credit references:

Name	Address	Phone Number	Account #

BALANCE SHEET

Company Name: _____

Date: _____

ASSETS

CURRENT ASSETS:

Cash \$ _____
 Accounts Receivable (net) \$ _____
 Merchandise Inventory \$ _____
 Supplies \$ _____
 Prepaid Expenses \$ _____

 Total Current Assets \$ _____

CURRENT LIABILITIES:

Accounts Payable* \$ _____
 Current Portion Long Term Debt (Due in 1 Year) \$ _____
 Other \$ _____

 Total Current Liabilities \$ _____

FIXED ASSETS:

Fixtures & Leasehold Improvements \$ _____
 Building \$ _____
 Equipment \$ _____
 Trucks/Auto \$ _____
 Less: Accumulated Depreciation \$ _____

 Total Fixed Assets \$ _____

LONG-TERM LIABILITIES:**

Notes Payable \$ _____
 Bank Loan Payable \$ _____
 Other Loan Payable \$ _____

 Total Long Term Liabilities \$ _____

 Total Liabilities \$ _____
 Net Worth (Owner's Equity) \$ _____

TOTAL ASSETS \$ _____

TOTAL LIABILITIES & OWNER EQUITY \$ _____

***Accounts Payable**

NAME OF ACCOUNT	AMOUNT
1. _____	\$ _____
2. _____	\$ _____
3. _____	\$ _____

****Long - Term Liabilities**

NAME OF ACCOUNT	AMOUNT
1. _____	\$ _____
2. _____	\$ _____
3. _____	\$ _____

PROFIT AND LOSS STATEMENT

Name:

Business:

Report Period:	Previous Twelve Months	Projected First Year	Projected Second Year
Revenue (Sales)	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX
Total Revenue Sales			
Cost of Sales	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX
Total Cost of Sales			
Gross Profit			
Expenses	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX
Salary Expense; Sales People Office and Other			
Payroll Expenses (taxes, etc.)			
Outside Services			
Supplies (office and operating)			
Repairs and Maintenance			
Advertising			
Car, Delivery and Travel			
Accounting and Legal			
Rent			
Telephone			
Utilities			
Taxes (real estate, etc.)			
Interest			
Depreciation			
Other Expenses (specify each)			
Miscellaneous (unspecified)			
Total expenses			
Net Profit			

Personal Financial Statement

IMPORTANT: PLEASE READ CAREFULLY

This statement is being submitted in conjunction with a request for an extension of business credit to: (business name)

If you are relying solely on your income or assets in compiling this Statement to support any assets of the requested credit, including any guarantee, endorsement or other security, COMPLETE SECTIONS A AND C ONLY; If you are relying, in whole or in part, on the income or assets of another person, complete ALL SECTIONS, and furnish the requested information about the other person in Section B. If you are completing all sections, indicate in Section C, where applicable, the income and/or asset ownership interests of the other person upon whom you are relying.

SECTION A

Name: _____	Employer's Name: _____
Address: _____	Employer's Address: _____
Telephone: _____	Title or Position: _____
SS# _____	Business Telephone: _____

SECTION B

Name: _____	Employer's Name: _____
Address: _____	Employer's Address: _____
Telephone: _____	Title or Position: _____
SS# _____	Business Telephone: _____

SECTION C: Financial Information

ASSETS:

Cash on Hand and on deposit	_____
Marketable Securities	_____
Cash value life insurance	_____
Notes receivable	_____
Other current assets (itemize)	_____

TOTAL CURRENT ASSETS	_____

LIABILITIES:

Notes due w/l 1 yr.	_____
Real Estate Mortgages	_____
Installment	_____
Other	_____
Accounts Payable	_____
Taxes due or accrued	_____
other current liabilities (itemize)	_____

TOTAL CURRENT LIABILITIES	_____

Personal Financial Statement

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Real Estate	_____	Notes due after 1 yr.	_____
Personal Property	_____	Real Estate Mortgages	_____
Notes or mortgages receivable	_____	Installment debt	_____
Investment in related companies	_____	Other debt (itemize)	_____
Other investments	_____		_____
Other assets (itemize)	_____		_____
	_____		_____
TOTAL ASSETS	_____	TOTAL Liabilities & Net worth	_____

BANK DEPOSITS

List all bank accounts, including savings accounts.

Name and Location of Bank	Cash Balance	Amount of Loan	How is Loan Secured?

MARKETABLE SECURITIES

Description of Security (bonds, stocks, etc.)	If pledged - to whom	Present Market Value	Present Loan Value	Payment Terms and Amount

LIFE INSURANCE

List all policies in which you are named as insured.

Beneficiary	Company	Type of Policy	Face Amount	Cash Surrender Value	Loans against Policy	If Assigned to Whom

REAL ESTATE

Description & Address	Title in Name Of?	If Mortgaged. To Whom?	Present Value	Present Mortgage Balance	Payment Terms and Amount

PERSONAL PROPERTY, EQUIPMENT, MOTOR VEHICLES, ETC.

Description	If Mortgaged, to Whom?	Present Value	Present Loan Value	Payment Terms and Amount

NOTES PAYABLE (Not shown above)

Lender	Security (if any)	Present Value	Present Loan Balance	Payment Terms and Amount

ACCOUNTS PAYABLE

Four Largest Creditors	Amount	Related Companies

Marketing Plan

1. What products or services will you sell?

2. To whom will the products or services be sold?

3. What steps have you taken to advertise your product or service?

4. What evidence do you have that there is a market for these products or services, i.e. how do you know your product or service will be purchased?

5. Have any individuals or businesses formally agreed to purchase your product or service? If so, please attach copies of agreements to this Marketing Plan.

6. Additional justifications:

PROJECT BUDGET

Summary of Expenditures

ACTIVITY	MICRO-LOAN	PRIVATE FUNDS	OTHER FUNDS	TOTAL
Working Capital				
Inventory				
Real Property Acquisition				
Relocation of Persons and/or Business				
Clearance and Demolition				
Site Improvement				
Water/Sewer Improvements				
Building Const./Rehab.				
Parking Facilities				
Capital Equipment				
Professional Fees				
Other specify				
TOTAL PROJECT COSTS				

- * CLEARLY DESCRIBE THE USES OF FUNDS IN THE PROJECT. INCLUDE ITEMS TO BE PURCHASED, CURRENT CONTRACTOR AND SUPPLIER ESTIMATES, INVENTORY TO BE ACQUIRED, WORKING CAPITAL TO BE EXPENDED, ETC. IDENTIFY SPECIFICALLY THE USE OF MICRO-LOAN MONIES.

