

**PHILLIPS AREA MICRO-LOAN PROGRAM  
LOAN APPLICATION PACKAGE**

Please fill out application, attach the documents listed below and mail/deliver to:

**The Phillips Area Micro-Loan Program  
Phillips Town Office  
15 Russell St  
Phillips, ME 04966  
(207) 639-3561**

Checklist of documents to include with the submission:

- Completed and signed loan application**
- Personal financial statements** of principals with greater than 20% ownership in business:
  1. Current Balance Sheet showing details of all personal assets and personal liabilities and debts. Personal financial information is separate from business information. Information included here should not be shown on the business balance sheet and vice versa.
  2. Monthly Cash Flow showing itemized detail of personal monthly income and monthly expenses.
- Business Balance Sheets:** Both historical and projected assets and liabilities for the current year and the next two years. (Do not duplicate data from the Personal Financial Statement)
- Profit and Loss Statements:** Past fiscal year and projected for the current year and the next two years.
- Cash Flow Exhibit.** Cash flow must show the expected monthly income and monthly expenses in detail for the next two years.
- Project budget.** For at least next two years itemizing all costs
- Credit Report(s)** obtained by the applicant from any of the three major credit agencies. Such report(s) must include all parties to the proposed loan. Free credit reports may be obtained from [www.annualcreditreport.com](http://www.annualcreditreport.com).
- Resumes** of principals and/or management.
- Business Plan.** It is strongly recommended that the applicant work with a professional service such as AVCOG in the plan development and financial report preparation. Include, at a minimum, a description of services, a marketing plan, a description of management and company structure and preliminary financial projections.
- Federal tax returns** (two prior years) for all parties to the proposed loan. Personal and corporate if applicable.
- Loan Collateral form** and applicable documentation that substantiates the fair market value of such collateral.
- Documentation** showing ownership of property or anticipate real property conveyances such as sales agreement, purchase options or lease agreements that are pertinent to the loan.
- PLEASE SUPPLY SEVEN(7) COPIES OF ALL DOCUMENTATION WHEN SUBMITTING THE APPLICATION**

**PHILLIPS AREA  
MICRO-LOAN PROGRAM GUIDELINES**

**PURPOSE**

TO PROVIDE AFFORDABLE FINANCING TO NEW AND EXISTING BUSINESSES IN THE TOWNS OF PHILLIPS AND AVON AND THE UNORGANIZED TERRITORY OF MADRID IN ORDER TO CREATE OR RETAIN JOBS FOR LOW/MODERATE INCOME CITIZENS.

**LENDING CRITERIA**

The business must be located within the boundaries of Phillips, Avon or Madrid in Maine.

Priority will be given to businesses that create or retain jobs, especially for low and moderate income residents. Applicants for Micro-Loan funds must be an owner, partner, chief executive officer or have power-of-attorney to apply for financing.

**ELIGIBLE ACTIVITIES**

Real property acquisition, construction or rehabilitation, which is essential to the operation of the business (except for housing related projects), capital equipment, on-site utilities, inventories or working capital.

**AMOUNT OF FINANCING AND TERMS**

Loans can be \$2,500 to \$25,000. Low fixed interest rates. Terms up to 15 years.

**FINANCING REQUIREMENTS**

Loans that exceed \$15,000 may require a dollar-for-dollar match of money for the portion that exceeds \$15,000. The Micro-Loan program is not intended to be the lender of first resort. Available bank financing or personal resources should be pursued first. Other loan conditions may apply as established by the Loan Review Committee.

**COLLATERAL REQUIREMENTS**

All loans must be 100% secured with sufficient collateral.

**APPLICATION COSTS & FEES**

There is no application fee. However, 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.

**LOAN APPLICATION TO THE  
PHILLIPS AREA MICRO-LOAN PROGRAM**

The following information is submitted as part of my/our application for a business loan from the Phillips Area Micro-Loan Program.

Date: \_\_\_\_\_

**1. Applicant and Business Information:**

Applicant: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Telephone Number(s): \_\_\_\_\_ Fax: \_\_\_\_\_

Email: \_\_\_\_\_

Owner SS#: \_\_\_\_\_

Business Name: \_\_\_\_\_

Physical Address of Business: \_\_\_\_\_

Town/County/State/Zip: \_\_\_\_\_

Mailing Address (if different): \_\_\_\_\_

Business Telephone: \_\_\_\_\_ Fax: \_\_\_\_\_

Web Address: \_\_\_\_\_ Email: \_\_\_\_\_

Tax ID # of Business: \_\_\_\_\_

Type of Business:     \_\_\_ Sole Proprietor     \_\_\_ Partnership  
                          \_\_\_ Corporation         \_\_\_ S Corporation  
                          \_\_\_ LLC             \_\_\_ Other: \_\_\_\_\_

Date established: \_\_\_\_\_ State of Incorporation: \_\_\_\_\_

Current number of employees (including principals): Full Time: \_\_\_\_\_ Part Time: \_\_\_\_\_

Number of jobs created due to this financing: Full Time: \_\_\_\_\_ Part Time: \_\_\_\_\_

Number of jobs retained due to this financing: Full Time: \_\_\_\_\_ Part Time: \_\_\_\_\_

Description of the business and the reason for this loan application:

\_\_\_\_\_

\_\_\_\_\_

**II. Management**

Number of years experience in this or similar business: \_\_\_\_\_

List prior business locations within the past 10 years:

Dates From: \_\_\_\_\_ To: \_\_\_\_\_ Location: \_\_\_\_\_

Dates From: \_\_\_\_\_ To: \_\_\_\_\_ Location: \_\_\_\_\_

Dates From: \_\_\_\_\_ To: \_\_\_\_\_ Location: \_\_\_\_\_

For Corporation or LLC please furnish full names and addresses of:

President: \_\_\_\_\_

Vice President: \_\_\_\_\_

Secretary: \_\_\_\_\_

Treasurer: \_\_\_\_\_

Registered Agent: \_\_\_\_\_

Director: \_\_\_\_\_

Director: \_\_\_\_\_

Director: \_\_\_\_\_

Director: \_\_\_\_\_

Director: \_\_\_\_\_

Proprietors, Partners or Stockholders owning more than 20% shares (names, addresses, % ownership, SS#):

<u>Name</u>	<u>Address</u>	<u>%</u>	<u>SS#</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Describe the qualifications, experience or training which enables you to enter or be successful in this business (attach a resume if available.):

**III. Site Control**

Does applicant have control of the business site: Yes \_\_\_\_\_ No \_\_\_\_\_

If yes, what type of control?

\_\_\_ Own      \_\_\_ Lease

Type of Lease: \_\_\_\_\_

Terms of Lease: \_\_\_\_\_

Lease/Option: \_\_\_\_\_

Other: \_\_\_\_\_

**IV. Environmental Impact**

Do any of your activities cause any form of pollution or nuisance? Yes \_\_\_\_\_ No \_\_\_\_\_

If Yes, please explain:

Does your project need Department of Environmental Protection approval? Yes \_\_\_\_\_ No \_\_\_\_\_

If yes, indicate the reason. Include the status of the application process.

Are there any other environmental matters or concerns? Yes \_\_\_\_\_ No \_\_\_\_\_

If Yes, please explain:

Describe the adequacy of road, water, sewer, and electrical access to the project:

**V. Loan Information**

**Project Costs/Uses of funds**

Land acquisition (_____sq. ft.)	\$_____
Land improvements	_____
Building construction/renovations (_____sq. ft.)	_____
Architect/Engineering Fees	_____
Machinery and Equipment Describe: _____ _____	_____
Inventory	_____
Working Capital	_____
Other: _____	_____
Debt pay-off Bank: _____	_____
Trade payables (attach list and aging)	_____
Construction loan fees and interest	_____
Contingency	_____
TOTAL Funding Need	_____

**Sources of Financing/Funding**

Bank: _____	_____
Other Financing (describe): _____ _____	_____ _____
Personal Assets (describe): _____ _____	_____ _____
<b>Phillips Area Micro-Loan Amount Request:</b>	_____
Total Sources of Funds	_____

**VI. Collateral**

Describe the machinery, equipment, or real estate or other item(s) offered as collateral or security for this loan. (Note: Passenger cars, passenger trucks, ATVs, snowmobiles, motorcycles and similar vehicles cannot be used as collateral.)

Type                      Description                      Owned by      Age      Market Value      Loans Against

**VII. Debts**

Debts of the Business:

	Acct	Original	Date of	Rate of	Maturity	Monthly	Current
Payable to:	#	Amount	Loan	Interest	Date	Payment	Amount

Personal Debts of the Applicant:

	Acct	Original	Date of	Rate of	Maturity	Monthly	Current
Payable to:	#	Amount	Loan	Interest	Date	Payment	Amount

**VIII. References**

List three credit references and three personal references:

	<u>Name</u>	<u>Address</u>	<u>Phone#</u>	<u>Account#</u>
Credit:				
1.	_____			
2.	_____			
3.	_____			

Personal:				
1.	_____			
2.	_____			
3.	_____			

**IX. Miscellaneous**

- a. Is there a co-signer for this loan? \_\_\_ Yes \_\_\_ No If yes, balance sheet and most recent year federal tax return will be required for the co-signer.
  - b. Are there any pending litigation, governmental proceedings, or consent orders against you, other partners or owners, or your business? \_\_\_ Yes \_\_\_ No If yes, attach description.
  - c. Have you, your partners or owners, or your company ever filed bankruptcy? \_\_\_ Yes \_\_\_ No If yes, attach description including type of bankruptcy and current status. If discharged, indicate when.
  - d. Have you, your partners or owners, or your company ever been involved in a criminal proceeding? \_\_\_ Yes \_\_\_ No If yes, attach full description.
  - e. Do you, your partners or owners, or your company have contingent liabilities as co-signers, endorsers, guarantors or similar obligations? \_\_\_ Yes \_\_\_ No If yes, attach full description.
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I understand the Micro-Loan Review Committee is the only power authorized to approve my financing request and that I can rely only upon written evidence that this same Committee has approved my request. Any other communications are preliminary in nature and do not, in any way, constitute a commitment to lend.

I authorize you to make such inquiries and credit checks as you deem necessary and appropriate to verify the accuracy and creditworthiness of this application.

PENALTY FOR FALSE OR FRAUDULENT STATEMENT: USC Title 18, Sec. 1001 provides: "Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsified, or makes any false, fictitious or fraudulent statements, or makes or uses and false writing or document knowing the same to contain false, fictitious or fraudulent statement of entry, shall be fined not more that \$10,000 or imprisoned not more than five years, or both."

I certify that the information on this application and related data submitted are true and correct to the best of my knowledge, that I am authorized to sign this application on behalf of this business, and hereby wish to apply for the Micro-Loan amount indicated in item 6 above.

Authorized Applicant(s): \_\_\_\_\_

Date: \_\_\_\_\_

If Corporation:

Corporation Name: \_\_\_\_\_

By: \_\_\_\_\_, Title: \_\_\_\_\_

Date: \_\_\_\_\_