Detroit Lake Development Authority

Loan Application

Community Development Department

Phone (218) 847-5658

01-2004

The Detroit Lakes Development Authority is an Equal Opportunity Lender/Agency
Complaints of discrimination should be sent to: USDA Director
Office of Civil Rights, Washington, DC 20250-9410

Civil Rights/Equal Opportunity

Because the Detroit Lakes Development Authority Utilizes Federal Funds for its loan programs various racial, ethnic and gender data is required. This information is requested by Federal Government in order to monitor the lender's compliance with equal credit opportunity.

You are not required to furnish this information, but are encouraged to do so. The law requires that a lender may neither discriminate on the basis of this information nor on whether you choose to furnish it. However, if you choose not to furnish it, under Federal regulations, this lender is required to note race/ethnicity on the basis of visual observation or surname. If you do not wish to furnish the above information, please check the box below.

do not wish to furnish this information		
Is the business owner/o Gender	wners Male Female	97
Ethnicity	Hispanic or Latino Not Hispanic or Latino	07
Race	American Indian/Alaskan Native Asian Black Or African American Native Hawaiian or Other Pacific Islander	
	White	

Send To: CITY OF DETROIT LAKES, MINNESOTA COMMUNITY DEVELOPMENT DEPARTMENT 1025 ROOSEVELT AVENUE, PO BOX 647 DETROIT LAKES, MN 56501

4	siness Description:			
1.	Name of Business			
2.	Address			
3.	City/State	Zip		
4.	Contact Person	Telephone No		
5.	Social Security Number	(if sole proprietorship)		
6.	Type of Sole BusinessProprietorship	CorporationPartnership		
7.	Briefly describe the production services of topossible)	•		
8.	List names of all individuals with any ownership in the business: (Attach resumes, include manager's resume)			
	List any "silent partners" associated with the business, include name, address, and description of their interest:			
9.		e business, include name, address, and a		
		e business, include name, address, and a		
Nat	description of their interest: ure Of The Loan Request:			
Nat 1.	ure Of The Loan Request: Total Project Cost: Amount Of Revolving Loan Requested:	\$		
Nat 1.	ure Of The Loan Request: Total Project Cost: Amount Of Revolving Loan Requested: Type Of Project: New Bus	\$ \$		

	Information: number of employees to be for, starting with the past tw		
	Full Time	Part Time	Total
Last Year Current Next Year Year Two Year Three			
0	Current	Proposed	
Management l Labor Position		? <u></u>	Salary Range _ Salary Range
2. Briefly o	describe how you calculated	I the above figures:	
Financing Pla 1. Specify lender,	an: the type of financing gap th financial or inability to pay r apply for Detroit Lakes Rev	narket rates) and explair	juity, inadequate privat n in detail why this cau

Purpose and source of funds for total project (indicated in Section B)

	se For Which Will Be Used	DLDA Loan	Bank(s)	Bank(s)	Equity	(Specify) Other	Total
Prope	erty Acquisition	\$	\$	\$	\$	\$	\$
Site Ir	mprovement	\$	\$	\$	\$	\$	\$
Buildi	ng Renovation	\$	\$	\$	\$	\$	\$
New (Construction	\$	\$	\$	\$	\$	\$
Machinery & Equip. Working Capital Inventory Debt Refinancing		\$	\$	\$	\$	\$	\$
		\$	\$	\$	\$	\$	\$
		\$	\$	\$	\$	\$	\$
		\$	\$	\$	\$	\$	\$
Other (Specify)		\$	\$	\$	\$	\$	\$
		\$	\$	\$	\$	\$	\$
Other (Specify)		\$	\$	\$	\$	\$	\$
		\$	\$	\$	\$	\$	\$
TOTA	AL	\$	\$	\$	\$	\$	\$
3. 	List the collate		osition you are o	ffering to secure	this loan:	\$	
4.	List the interes (Note: If you a interest rate)	st rate and re are requesting	payment terms th g an interest rate	nat you propose: that is less than	prime you must	demonstrate you	r need for reduced
5.	Participating L	_ender					
	Contract Pers	on			Telephone	No	
	Participating I	_ender					

E.	Banl 1.	Bankruptcy: 1. Have you, either as an individual or as a principal in a business, ever been bankrupt, petitioned for financial relief pursuant to a court-supervised insolvency proceeding, including court supervised receivership, within the past seven (7) years? NoYes						
	2.	If yes, please explain the result or relief requested and obtained, including when and where received.						
	here	ify that the above information and the statements contained herein or attached to are an accurate statement of the financial condition of the business and its ipals. I also certify the business is current on all of its federal and state taxes.						
		Authorized Signature Date						
F.	Note	ness Plan: For assistance in preparing a business plan, you may wish to contact the Small Business Development Center (SBDC) at (218) 236-2289. Inarrative and financial documents for this business plan should be arranged, in possible, in the order listed below and attached to the application. History of Business a) Briefly describe the past operation of the business or the events leading to its creation. Market Analysis & Strategy a) Description of current buyers and target market (provide verification of purchase orders, contracts, and so on, which relate to reasons for the loan request)						
	0	b) Competition c) Pricing d) Distribution e) Advertising f) Sales Promotion g) Industry Trends						
	3.	 Products a) Description of product line b) Proprietary position of patents, copyrights, legal and technical considerations c) Comparison to competition 						
	4.	Manufacturing Process a) Materials b) Production Methods						

5. Financial Projections

- a) Monthly cash flow analysis for next twelve (12) months
- b) Profit and loss statement: last three years and current year, and two-year projection
- c) Balance sheet: last three years and current year, and two-year protection

6. Schedule of Business Debts

7. Statement of Collateral

a) A detailed list of all-collateral offered, its value, and security position by funding sources.

8. Resumes and Personal Financial Statements

a) Include resumes of all principals as well as current, dated, and signed personal financial statements on all principals with a significant interest in this business.

9. Commitment Letters

a) Include commitment letters from banks and others stating the terms and conditions of their participation.

10. Affiliates

 Description of any affiliates or subsidiaries of business or principals assistance, as well as balance sheets and income statements for past two fiscal years on such affiliates or subsidiaries.

11. Appraisals/Proposed Lease/Purchase Options or Agreements

- a) An independent appraisal will be required for any real estate which is a subject of the proposed financing or which is offered as a major source of collateral to secure the loan. Also, include copies of existing or proposed lease(s), purchase options or agreements, or other financial arrangements.
- 12. Partnership Certificate of Authorization, or Corporate Certificate of Authority and Incumbency
 - a) Include minutes of the corporate meeting adopting this certificate, where applicable, and name and address of legal counsel.

G. Other Attachments

- 1. Copy of last year's submitted business income tax statement.
- 2. Copy of last year's submitted personal income tax statement.
- 3. List of all persons (name, address and phone number) who assisted in any manner with the preparation of this application and other requested information.
- 4. List, including the name, date and amount of any pending or anticipated legal actions or claims against any applicant.
- 5. List, including the name, date and amount of any liens or judgments known to be filed by any party including any unit, agency, or department of local, state or federal government.
- 6. List any potential sources of income not stated in any other document.
- 7. Have you ever applied elsewhere for a loan or grant monies for this project? If so, explain.
- 8. List all insurance needs for the operation of your business. State what insurance you will be purchasing and from whom, if known.

Loan Renewal Policy

Please be advised that it is the policy of the Detroit Lakes Development Authority to require payment in full of any balloon payments at the time they are due.

It is not the intent of the Authority to renegotiate the loan or payments, therefore, the Company should seek conventional bank financing well in advance of any balloon payment due on any loans with the Detroit Lakes Development Authority.