



VILLAGE OF NEW PALTZ

25 Plattekill Ave., New Paltz, NY 12561

(845) 255-0130

Revolving Loan Fund Application

I. Applicant Information:

Name of Applicant: _____

Residence Address: _____

Residence Phone: _____

Name of Business: _____

Business Address: _____

Business Phone: _____

If property owner of business location is different than applicant, provide name, address and phone number of property owner, and the interest of the applicant in the property:

Form of Business (Check One): Corporation Partnership Sole Proprietorship

Type of Business: _____

Date Established: _____ Federal Employer ID No.: _____

Bank(s) where you have a Business Account: _____

25 PLATTEKILL AVE • NEW PALTZ, NY 12561

PHONE: 845.255.0130 • FAX: 845.255.4305 • TTY Available

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II. Loan Request Information:

Amount of Loan Requested (Cannot Exceed \$50,000.00): _____

Loan Term Requested (Cannot Exceed 1 year per each \$1,000.00 of loan): _____

III. Loan Objectives:

The proceeds of a Revolving Loan Fund loan may be applied only to one or several of the following purposes:

- a. Rehabilitation of a commercial building to enhance the exterior quality of the building.
- b. Correct building code violations of a commercial building.
- c. Expansion of existing or creation of new business to provide employment opportunities for low- or moderate- income residents
- d. Meet urgent community development needs.

IV. Loan Purpose:

Describe on a separate page in narrative form:

- a. How the loan proceeds will be used to comply with the purpose designated above,
- b. Whether the applicant is unable to obtain funds for this purpose from other sources, and
- c. Projected source of funds for repayment of loan.
- d. Please describe which of the categories in Item III, Loan Objectives, most closely relates to this application.

V. Loan Collateral:

The applicant must furnish security as collateral for the loan. This may be either a mortgage on real property or an assignment of monies on deposit in a federally insured banking institution or credit union. Describe on a separate page the proposed collateral. If the collateral will be a mortgage on real property, include with the application a copy of the deed to the property and a list of the principal amounts of other mortgages already secured by the property. If the collateral is an assignment of a bank or credit union account, furnish a copy of the most recent statement or of the certificate of deposit. The applicant must in either event furnish proof that there is sufficient equity to fully secure the Village in the event of default.

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I. Required Exhibits:

Please submit with the application:

- a. The name, residence address and title of all owners, partners and/or corporate officers of the applicant.
- b. A copy of profit/loss statement issued within the past 90 days.
- c. Credit report issued by a recognized reporting agency issued within 30 days of application.
- d. Copy of receipts for most recent County/Town, school and Village taxes of the property to benefit by the loan proceeds.

II. Application Expenses:

In the event that the Board of Trustees gives preliminary approval to the application, the applicant will be expected to pay an additional fee to cover the costs of the examination of title to real property if the loan is to be secured by a mortgage. Failure to pay the additional fee within 5 days after notice is given to the applicant will result in the rejection of the application.

III. Certification:

The undersigned certifies that the information provided in this application and in the exhibits annexed hereto is true and complete.

Signature

Title

Name of Business

Date

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Please provide all requested information below, sign and return this form to the appropriate office above.

AUTHORIZATION TO OBTAIN CREDIT

I/we hereby authorize The Village of New Paltz and Empire State Bank to obtain a credit bureau report under my/our name(s) in conjunction with a request for funds from The Village of New Paltz Revolving Loan Fund.

Borrower

Name _____
Address _____
City/State/Zip _____
Social Security # _____
Date of Birth _____
Signature _____ **Date**_____

Co-Borrower

Name _____
Address _____
City/State/Zip _____
Social Security # _____
Date of Birth _____
Signature _____ **Date**_____

Village of New Paltz
Revolving Loan Guidelines
(Revised 2013)

This Revolving Loan Fund (RLF) has been created by the Board of Trustees of the Village of New Paltz as an economic development program. Its purpose is to encourage and facilitate the sustainability of the Village's economic base by making low interest loans available to Village residents owning or operating a business within the Village, and to non-Village residents owning or operating a business within the Village.

A LOAN MAY BE REQUESTED FOR THE FOLLOWING:

- The rehabilitation of existing commercial buildings to enhance the exterior character of the facade, to upgrade to meet current building code regulations, to prevent or eliminate urban blight, or to retrofit to meet environmentally sustainable building standards;
- The rehabilitation of certain residential or mixed use buildings being upgraded for mixed use with some commercial end use, providing the project in question meets all planning and zoning regulations in place, will conform to the existing neighborhood character, and can be shown to benefit the village's long range planning goals, i.e. is in line with the Village's Master Plan. For mixed use projects, loans may only be applied to the non-residential portion of the project;
- The expansion or creation of a business which creates or maintains employment opportunities for low to moderate income level individuals or the prospective business owner is a low to moderate level income individual;
- The expansion or creation of a business which contributes to sustaining local agriculture or other locally made products;
- To meet urgent community development needs;
- To preserve or protect significant historic aspects, features or landmarks in the village.

WHO CAN APPLY FOR A LOAN?

To be an applicant one must be either the owner of the business and property in question OR the business owner with written consent of the property owner and meet the criteria listed in the table set forth below (the property may be used to secure the loan).

HOW MUCH MAY BE BORROWED?

- Loans of up to \$50,000 will be made according to the table below;
- Repayment schedules will be set based upon the loan amount, the required documents submitted by the applicant, and the financial status of the village's RLF, with the repayment period not to exceed five years for smaller loans and not to exceed ten years for larger loans;
- The rate of interest will float 5% below the current PRIME RATE established by the Federal Reserve Bank for commercial loans with a minimum interest rate of 4%.

WHAT IS THE PROCESS?

- Step One: Obtain a loan application from Village Hall at 25 Plattekill Ave, New Paltz, NY 12561. Hours of operation are Monday through Friday, 8:00 am - 4:00 pm and the phone number is (845) 255 - 0130.
- Step Two: All applicants must first go through an application review with the Small Business Development Corp (SBDC) to ensure it's completion before submitting an application to the Revolving Loan Fund Committee.
- The Revolving Loan Fund Committee will review the complete application and make a recommendation to the New Paltz Village Board, which will then vote on the approval or denial of the application.
- Money will be disbursed in accordance with the Revolving Loan Fund Committee's Procedures.

LOANS WILL NOT BE GRANTED FOR THE FOLLOWING:

- Working capital
- Emergencies
- Refinancing
- Residential Properties

	Smaller Loan		Larger Loan	
Loan Amount	\$2,000 to \$10,000		\$10,001 to \$50,000	
	Existing Business	New Business	Existing Business	New Business
Criteria	No serious delinquency or collection problems in the past; Sufficient personal assets indicating ability to pay; Credit Score of at least 650 ;			
	Applicant must provide a match equal to 20% of the loan		Applicant must provide a match equal to 50% of the loan	
			Letter of declination from traditional lending sources	
Collateral	Co-signer, if deemed necessary by RLF Committee			
	Promissory Note and/or Security Interest in other assets and /or Personal Guarantee if applicant is a corporation or a LLC		Mortgage on real estate and/or security interest in other assets and/or Personal Guarantee if applicant is a corporation or a LLC	
Documents Required	Completed Application, Personal Financial Statement, Authorization to Obtain Credit Report, Income Tax Returns for the previous three years, A profit and loss statement and balance sheet			
	Financial Projection showing ability to repay within proposed term	Full Business Plan including a Financial Projection (three year pro-forma) showing viable ability to repay within the proposed term		