

2008 MicroLoan Program offers a unique opportunity for
Economic Development across the county.

Your City or Village jurisdiction has the information and the program is now available. Contact the BCEDC Office for more information: david.miller@co.barron.wi.us 715-637-6871

MICROLOAN FUND PROGRAM OUTLINE	
Program Description	The MicroLoan Program is designed to provide small loans to start-up, newly established, or growing small business concerns. A key objective of the program is to assist business owners, who have traditionally had difficulty accessing debt financing, by affording them another alternative for obtaining credit. To qualify for funding, eligible businesses must complete an application and submit all relevant supporting documentation to the program administrator. Only when all the necessary documentation has been submitted, will the application be processed and presented to a local loan committee for formal action.
Eligibility	The business' principal office and operations must be located in, or agree to locate to, one of the available microloan communities. Essentially any type of for-profit business, with a few minor exceptions (i.e. casinos, adult stores, etc), is eligible to apply. Legal entity election is immaterial, however priority will be granted to businesses that can show the greatest need and demonstrate an ability to repay the loan. Companies with annual sales less than \$1,000,000 OR that employ 25 or fewer employees ARE considered eligible.
Uses of Funds	<ul style="list-style-type: none"> • Working Capital • Inventory Purchases • Machinery & Equipment • Furniture & Fixtures • Supplies • Leasehold Improvements • Building Renovation/Rehabilitation • Real Estate Acquisition • Natural Disaster Recovery
Key Credit Criteria	Each applicant is expected to have good character, strong commitment to their business idea, signs of feasibility and economic viability, and a credit history to suggest a reasonable assurance that the loan will be repaid. Furthermore, the applicant should have some management skills or relevant industry experience to support the project's purpose.
Loan Size	\$5,000 to \$25,000
Interest Rate	4.00% fixed
Term/Repayment	Terms not to exceed 10 years, with the exception of working capital loans which will have a maximum term of 3 years.
Collateral	Collateral is required and will usually take the form of a security interest in all of the applicant's assets. Real estate, equipment, inventory and receivables are common assets pledged. Unlimited personal guarantee(s) are required from any person with a 20% or greater ownership interest in the business.
Costs	All customary out-of-pocket fees and legal costs made in connection with the transaction are the applicant's responsibility.
Covenants	<ul style="list-style-type: none"> ➤ If the applicant relocates its operation outside of the community's limits during the term of the loan, payment in full is due. ➤ A default or delinquency in any business, personal, or related entity tax obligation will disqualify the applicant. If during the term of the loan a tax obligation remains unsatisfied, the loan shall become immediately due & payable.
October 25, 2007	