



ALAMO

SMALL BUSINESS

MICRO-LOAN PROGRAM

Providing Access to Capital for Small Business

Due to COVID-19

From now until December 31, 2020, local businesses, that is businesses with 2 or more years of operations, affected by COVID-19 can:

- Apply for up to \$10,000.00
- Use loan funds for working capital
- Get an initial six months of payment deferment, no principal or interest, added to the term of the note
- And if they pay on-time, can get reimbursed for interest fees

Alamo EDC is an equal opportunity provider & employer



Small Business Micro-Loan Program

Alamo's Micro-Loan Program

In order to promote economic development in the City of Alamo, the Alamo Economic Development Corporation established the Alamo Small Business Micro-Loan Program with assistance from USDA - Rural Development. The MLP program is a self-sustaining program which works by lending out money to local businesses, the money paid back along with the interest is then used to lend again.

In order for an applicant to qualify:

1. Business must be located in Alamo
2. Business must have a minimum of 2 years, 24 consecutive months, of operations
3. 51% of the business must be owned by US Citizens or Resident Aliens
4. Applicant must prove it can service debt, having a debt service coverage 1.25 or better
5. Applicant must have a credit score of 620 or better
6. Tenant applicants must provide lease agreement for term of loan

Loan terms and conditions: The interest rate is 5%. The minimum loan amount is \$1,000. The maximum amount is \$5,000. The program uses a fixed term of 2 years.

Micro-Loan Program loans are unsecured loans and as such will not require collateral. Personal guarantees are required. The basis for approval will be the applicant's eligibility, credit score and recent two-year (24 months) payment history. Applicant must supply a minimum of one bid or quote from third party vendor/contractor.

Loan uses include: repair and renovations, purchase of equipment, signage and storefront improvements.

Disbursement of loan payment will primarily be made directly to the borrower.

Applications are generally approved or declined within 30 days of receipt of a complete application package. Approved applications can generally be funded within 60 days of a complete application package. Loan applications are reviewed by an AEDC committee and approved by the AEDC board.

Initial Documents for Loan Application

- Application Form
- Executive Summary with 3 years of financial projections
- Project Budget
- Personal Financial Statement
- 2 years of Income Tax Returns – Business and/or Personal (most current years)
- Year-end financial statement from existing organization.
- Balance Sheet (yearly)
- Profit and Loss Statement (last quarter)
- Provide a minimum of one bid from non-related third party vendor/contractor
- Credit Report (to be conducted by AEDC)

Steps for Loan Process

- Fill out loan application
- Submit all documents to AEDC via mail or hand delivery
- AEDC begins loan application review and determination of eligibility
- Notify applicant of eligibility status
- If eligible, loan application will be presented to Loan Review Committee
- Committee recommendation will be presented to AEDC Board for final approval
- Applicant notified of Board's decision to approve or deny loan application as well as loan specific terms, when applicable

Alamo Economic Development Corporation Micro-Loan Program Application

Business Name:		Federal I.D. #:	DBA:		
Business Address:		City:	State:	Zip Code	Business Phone:
Contact Name & Title:		D.O.B.:	SSN:		Citizenship:
Home Address:		State:	Zip Code:		Home Phone:
Purpose of Loan:			Loan Amount:		
Reference:			Co-signer (if applicable)		
#1 Name: _____			Name: _____		
Address: _____			Address: _____		
City/State/ZIP: _____			City/State/ZIP: _____		
Phone #: _____			Phone #: _____		
Relation to Borrower: _____			Relation to Borrower: _____		
#2 Name: _____			D.O.B.: _____		
Address: _____			SSN: _____		
City/State/ZIP: _____					
Phone #: _____					
Relation to Borrower: _____					

The following information is requested by the Federal Government in order to monitor compliance with Federal Laws prohibiting discrimination against applicants seeking to participate in this program. You are not required to furnish this information, but are encouraged to do so. This information will not be used in evaluating your application or to discriminate against you in any way. However, if you choose not to furnish it, we are required to note the race/national origin of individual applicants on the basis of visual observation or surname.

White, not of Black, not of American Indian or Hispanic Asian or Other
 Hispanic Origin Hispanic Origin Alaskan Native Pacific Islander
 Male Female

Applicant Certification: Everything I have stated in this application is correct to the best of my knowledge. I understand that the Alamo Economic Development Corporation (AEDC) will retain this application whether or not it is approved. I authorized the AEDC or its agents to investigate my credit, employment, and income (including but not limited to any other credit report services). I also authorize the AEDC or this agent to report to the proper credit bureaus account performance.

I understand that any loan provided by the AEDC is based on the scope of work provided in my application and that failure to meet and/or complete my scope of work may result in the AEDC declaring my loan to be in default and the acceleration of my note.

I understand that the AEDC may declare a loan to be in default for the following reasons:

1. Failure of the borrower to carry out the specific activities in its loan application as approved.
2. Failure of the borrower to pay within 15 calendar days of its due date any installment of principle or interest.
3. The borrower becoming insolvent, or ceasing, being unable, or admitting in writing its inability to pay its debts as they mature.
4. Proceedings for the appointment of a receiver, trustee, or liquidator.
5. Submission of false, incomplete, or incorrect information on the part of the applicant.
6. Failure of the loan recipient to remedy any material adverse change in its financial or other condition arising since the date of award (i.e. placing AEDC lien position at risk on collateral)

I understand that as a borrower, in the event of default and failure of repayment, the AEDC will report the loan to the credit bureaus and take legal recourse, such as file a judgement against myself or my business.

Nondiscrimination statement: The Alamo EDC prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or a part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (braille, large print, audiotape, etc.) should contact Alamo EDC office at 956-787-6622

Borrowers Signature: _____

Today's Date: _____

Borrowers Signature: _____

Today's Date: _____

Co-signer Signature: _____

Today's Date: _____

Personal Financial Statement

CONFIDENTIAL

Read directions before competing Financial Statement.

To: _____

Address: _____

Personal Financial Statement as of
 (Date) _____

APPLICANT'S NAME(S): _____

HOME ADDRESS _____

HOME PHONE _____

Please check appropriate box.

Individual credit-If relying on your own income and assets and not the income and assets of a spouse or another person as a basis for extension or repayment or credit, complete the Financial Statement below only as it applies to you, individually. Do not provide any information about a spouse or other person. Sign the Financial Statement.

Joint Credit

If applying for joint credit or individual credit relying on income or assets of a spouse or another person for extension and repayment of credit requested, complete the Financial Statement below. Include information about income, assets and liabilities of the spouse or other person. Both Applicant and Spouse or Co-Applicant sign this statement.

Individual relying upon income or assets of spouse or other person.

Please do not leave any questions unanswered. Use "no" or "none" where necessary.

Assets	In Even Dollars	Liabilities and Net Worth	In Even Dollars
Cash on hand and in Banks – See Schedule A	\$	Notes Payable: This Bank - See Schedule A	\$
U.S. Government Securities – See Schedule B		Notes Payable: Other Institutions - See Schedule A	
Listed Securities – See Schedule B		Notes Payable - Relatives	
Unlisted Securities - See Schedule B		Notes Payable – Others	
Other Equity Interests - See Schedule B		Accounts and Bills Due	
Accounts and Notes Receivable		Unpaid Taxes	
Real Estate Owned - See Schedule C		Real Estate Mortgages Payable – See Schedule C or D	
Mortgages and Land Contracts Receivable - See Schedule D		Land Contracts Payable - See Schedule C or D	
Cash Value Life Insurance - See Schedule E		Life Insurance Loans - See Schedule E	
Other Assets: Itemize		Other Liabilities: Itemize	
		TOTAL LIABILITIES	\$
		NET WORTH	\$
TOTAL ASSETS	\$	TOTAL LIABILITIES AND NET WORTH	\$

Sources of Income	In Even Dollars	General Information
Salary	\$	Employer
Bonus and Commissions		Position or Profession No. Years
Dividends		Employer's Address
Real Estate Income		Phone No.
*Other Income: Itemize		Partner, officer or owner in any other venture? <input type="checkbox"/> No <input type="checkbox"/> Yes If so, explain:
TOTAL	\$	
*Alimony, child support or separate maintenance payments need not be disclosed unless relied upon as a basis for extension of credit. If disclosed, payments received under <input type="checkbox"/> court order <input type="checkbox"/> written agreement <input type="checkbox"/> oral understanding.		Are any assets pledged? <input type="checkbox"/> No <input type="checkbox"/> Yes Detail in Schedule A
		Income taxes settled through (Date)

Personal Financial Statement

CONFIDENTIAL

Contingent Liabilities	In Even Dollars	General Information (continued)
As endorser, co-maker or guarantor	\$	Are you a defendant in any suits or legal action? <input type="checkbox"/> No <input type="checkbox"/> Yes If so, explain:
On leases		
Legal claims		Have you ever taken bankruptcy? <input type="checkbox"/> No <input type="checkbox"/> Yes If so, explain:
Provision for federal income taxes		
Other special debt, e.g. , recourse or repurchase liability		Do you have will? <input type="checkbox"/> No <input type="checkbox"/> Yes With Whom?
		Do you have trust? <input type="checkbox"/> No <input type="checkbox"/> Yes With Whom?
TOTAL	\$	Number of dependents _____ Ages _____

Schedule A: Banks, Brokers, Savings & Loan Association, Finance Companies or Credit Unions. List here the names of all the institutions at which you maintain a deposit account and/or where you have obtained loans.

Name of Institution	Name on Account	Balance on Deposit	High Credit	Amount Owing	Monthly Payment	Secured by What Assets
TOTAL			TOTAL			

Schedule B: Governments, Stocks (Listed & Unlisted), Bonds (Gov't & Comm.), and Partnership Interests (General & Ltd.) If unlisted security or partnership interest, provide current financial statements to support basis for valuation.

Number of Shares, Face Value (Bonds), or % of Ownership	Indicate: 1. Agency or name of company issuing security or name of partnership 2. Type of investment or equity classification 3. Number of shares, bonds or % of ownership held 4. Basis of valuation*	In Name of	*Market Value	Pledged	
				Yes ()	No ()
TOTAL					

Schedule C: Real Estate Owned (and related debt, if applicable)

Description of Property or Address	Name on Title	Date Acq.	Cost + Improvements	Present Mkt. Value	Mortgage or Land Contract Payable		
					Bal. Owing	Mo. Payment	Holder
TOTAL							

Schedule D: Real Estate: Mortgages & Land Contracts Receivable (and related debt, if applicable)

Description of Property or Address	Name on Title	Date Acq.	Balance Receivable	Monthly Payment	Mortgage or Land Contract Payable		
					Bal. Owing	Mo. Payt.	Holder
TOTAL							

Schedule E: Life Insurance Carried

Name of Company	Face Amount	Cash Surrender Value	Loans	Beneficiary
TOTAL				

I/we have carefully read and submitted the foregoing information provided on all three pages of this statement to the Bank named above. The information is presented as a true and accurate statement of my/our financial condition on the date indicated. This statement is provided for the purpose of obtaining and maintaining credit with said Bank. I/we agree that if any material change(s) occurs(s) in my/our financial condition that I/we will immediately notify said Bank of said change(s) and unless said Bank is so notified it may continue to rely upon this financial statement and the representations made herein as a true and accurate statement of my/our financial condition.

I/we authorize the Bank to make whatever credit inquiries it deems necessary in connection with this financial statement. I/we authorize and instruct any person or consumer reporting agency to furnish to the Bank any information that it may have or obtain in response to such credit inquiries.

I/we also hereby certify that no payment requirements listed herein are delinquent or in default except as follows; if "NONE" so state.

I/we fully understand that it is federal crime punishable by fine or imprisonment of both to knowingly make any false statements concerning any of the above facts, pursuant to 18 U.S.C Section 1014.

Applicant's Signature _____ Date Signed _____ Social Security No. _____ Date of Birth _____

Spouse's or Co-Applicant's Signature _____ Date Signed _____ Social Security No. _____ Date of Birth _____

Alamo Micro-Loan Program

Contacts

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Alamo Economic Development Corporation

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UTRGV

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