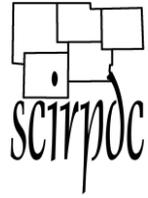


# EDA Title IX Revolving Loan Program

# Application Agreement

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This agreement, made this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ between South Central Illinois Regional Planning and Development Commission, a designated recipient of US EDA Title IX grant funds for the establishment of a revolving business loan program, hereafter referred to as SCIRPDC, and \_\_\_\_\_, hereafter referred to as the Applicant.

## **PART I: SCIRPDC SERVICES**

At the request of the Applicant, SCIRPDC agrees to review the Applicant's proposed project and to prepare a preliminary loan analysis and a loan application, including a complete set of forms, documents, and supportive exhibits. Applicant agrees to submit all information necessary and to provide reasonable assistance to SCIRPDC in the preparation of said package. As soon as the application package is complete and approved by the SCIRPDC Areawide Loan Review Committee (ALRC), SCIRPDC will submit the recommendation to its full Board of Commissioners during the next available monthly business meeting. If approved by the SCIRPDC Board of Commissioners, Title IX monies will be allocated to provide financing for the Applicant in accordance with the terms and conditions of the US EDA federal guidelines. SCIRPDC cannot guarantee that it will be able to obtain ALRC recommendation for approval nor loan approval by the SCIRPDC Board of Commissioners. No statement contained herein or elsewhere may be construed as a guarantee directly or by implication.

## **PART II: APPLICATION DEPOSIT**

At the signing of, and accompanying this agreement, the Applicant agrees to make a deposit in the amount of \$1,000 payable to SCIRPDC. Applicant agrees that if the application is withdrawn or cannot be completed because of the failure to submit necessary information, the application deposit shall be deemed compensation to SCIRPDC for its services.

## **PART III: Title IX LOAN PROGRAM**

The Applicant understands that, if approved, the loan contemplated by this agreement will be made under the provisions of the US EDA federal Title IX guidelines. The Title IX Program provides borrowers with a long-term, fixed-rate loan, not exceeding 33% of the eligible project costs associated with issuing the debenture. These costs are included in the loan amount. A \$750 legal/processing fee and other closing costs are excluded from the loan amount and must be paid by the Applicant at, or before, closing. The borrower and a participating lender provide the remaining minimum 67% percent of the total project financing, with the lender's portion in the form of a loan having a minimum term of ten years for real property.

## **PART IV: INTEREST RATE AND FEES**

The interest rate on the Title IX loan has a 3.25% annual interest rate. The Applicant agrees to pay all costs incurred in closing the loan, including, but not limited to, recording and search fees, title insurance costs, and closing attorney's fees. SCIRPDC will request property appraisals, environmental investigations and other necessary pre-closing data collection at the Applicant's expense as necessary to satisfy the requirements of the ALRC prior to closing and only consent of the Applicant. The Applicant reserves the right to decline said procedures but recognizes that such actions shall constitute withdrawal of application with no expectation of reimbursement of any funds expended in relation to the Title IX Loan Request prior to the date of decline.

## **PART V: MISCELLANEOUS CONDITIONS**

All information provided by the Applicant and/or its principals will be used by SCIRPDC, its Board, employees and agents to make credit and program decisions, and will not be divulged to anyone, other than participating lenders, and guarantors. The Applicant authorizes SCIRPDC to obtain credit information concerning the Applicant, individual owners of the business, and related companies and to identify SCIRPDC's financing participation on the project property. Applicant specifically authorizes the participating lender to provide all personal and business information it may have to SCIRPDC, including financial and credit information. Applicant is solely responsible for

fulfilling US EDA federal Title IX requirements regarding the environmental condition and appraised value of the real estate involved in the project. Failure to meet these requirements can delay or prevent the loan from being completed. The Program and loan descriptions, including statements regarding the amount and type of fees, are established under US EDA federal Title IX guidelines by the SCIRPDC Board of Commissioners and are subject to change under the guidelines of the SCIRPDC Bylaws.

**IN WITNESS WHEREOF, SCIRPDC & THE APPLICANT HAVE EXECUTED THIS AGREEMENT:**

**SCIRPDC**

**APPLICANT**

\_\_\_\_\_  
by James Patrick  
Executive Director

\_\_\_\_\_  
by \_\_\_\_\_  
title

**In accordance with Federal Law, South Central Illinois Regional Planning & Development Commission does not discriminate on the basis of race, color, national origin, age, disability, religion, sex, and familial status. (Not all prohibited bases apply to all programs.) South Central Illinois Regional Planning & Development Commission does not discriminate in admission, access to, treatment or employment in programs or activities on the basis of a handicap in violation of section 504 of the Rehabilitation Act.**