

Rural Development Initiative Fund

AS 44.88.600 – As 44.88.620 3AAC 99.825 – 3AAC 99.899

Purpose

To provide private sector employment by financing the start-up and expansion of businesses that will create significant long-term employment.

Contact Information

Mail Applications To: DED - INVESTMENTS
DCCED
P.O. Box 110802
Juneau, AK 99811-0802

By Telephone: (800) 478-LOAN (5626) Toll Free within Alaska
(907) 465-5437 TTD

By Email: financing@alaska.gov

In Person:	Juneau Office	Anchorage Office
	State Office Building 333 Willoughby Ave. 9th Floor Juneau, Alaska (907) 465-2510 Office (907) 465-2103 Fax	Robert B. Atwood Building 550 W. 7th Ave. Suite 1770 Anchorage, Alaska (907) 269-8150 Office (907) 269-8147 Fax

Website: www.commerce.alaska.gov/web/ded

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DED - INVESTMENTS
Department of Commerce, Community, and Economic Development
Rural Development Initiative Fund Loan Application

GENERAL REQUIREMENTS

- Loans may be made to a business located in a community with a population of 5,000 or less that is not connected by road or rail to Anchorage or Fairbanks, or with a population of 2,000 or less that is connected by road or rail to Anchorage or Fairbanks.
- Loans may be made for working capital, equipment, construction or other commercial purposes.
- Loans may not be made to pay costs that were incurred more than 6 months before loan application.
- Loans must result in the creation of new jobs or the retention of existing jobs in the eligible community.

TERMS AND CONDITIONS

- Maximum loan amount is \$150,000.00 to a person or up to \$300,000.00 to two or more persons.
- Maximum loan term is 25 years.
- Interest rate will be fixed at the time of loan approval (contact us for current rate).
- All loans must be adequately secured. A loan may not exceed the value of the collateral used to secure the loan.
- A reasonable amount of money from other non-state sources must be committed for use on any project for which money from a loan will be used.

FEES

- A \$150 application fee (non-refundable) must accompany all applications.
- A 1% origination fee is due at closing.
- Borrower is responsible to pay all direct costs incurred in processing an application including title reports and title insurance, recording fees, appraisals, travel or other direct costs.

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CHECK-OFF LIST

The following information is **required** in order to process your application. Please use the list to make sure all information is submitted. Retain a copy of this application for your records. The department may require additional information or documentation, as it deems necessary in order to verify eligibility or other requirements of the program.

1	Application for Rural Development Initiative Fund Loan: Be sure the form has been completed and signed. If a partnership or corporation, each individual owning 20% or more must complete an application (page 3).
2	Non-refundable Application Fee: You must include a check or money order for \$150.
3	Letter of Intent: (Page 4).
4	Project Funding Summary: (Page 5).
5	Business Profile: (Page 6).
6	Job Information: (Page 6).
7	Individual Financial Statement: Required from all individual applicants. If the applicant is a corporation, required from all individuals owning 20% or more of any outstanding shares. If applicant is a partnership or other association, required from all individuals in the organization. Must indicate financial condition of the individual as of no more than 90 days prior to receipt of application (pages 7 & 8).
8	Business Financial Statement: Must indicate financial condition of business as of no more than 90 days prior to receipt of application (pages 9 & 10).
9	Collateral: (Page 11).
10	Actual Statement of Profit & Loss: (Page 12).
11	Projected Statement of Profit & Loss: (Pages 13 & 14).
12	Copy of government issued identification: Provide a copy of each applicant's valid government issued identification at or before loan closing.
13	Authorization to Obtain Credit and/or Release Information: (Page 15).
14	Oath: (Page 16).
15	Federal Tax Returns: Include complete, signed copies of your federal income tax returns for the last three years. You must also submit the business' last three year's tax returns. Corporations must submit complete copies of their last three year's federal income tax returns, as well as returns for individuals owning 20% or more of the corporation.
16	Original Earnest Money Agreement, Contractor's Bid, Purchase Agreement, or Other documentation to verify the Use of the Loan Proceeds.
17	Business Plan or Business Resume: Brief narrative on your business experience and history.
18	Current Bank Statement: Provide copies of current bank statements verifying Cash Accounts as shown on Financial Statement.

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APPLICATION FOR RURAL DEVELOPMENT INITIATIVE FUND LOAN

Please check one:

Individual	Business	Partnership	Corporation
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Today's Date:

Applicant Business Name:

NAICS (From Business License):

Mailing Address (Street/PO Box, City, State, Zip Code)

SSN/EIN:

Business Telephone Number:

Applicant Name (Last, First, M.I.)

Applicant's Telephone Number

Mailing Address (Street/PO Box, City, State, Zip Code)

Married (Including separated)

Not Married (Single, divorced or widowed)

Social Security Number:

Date of Birth

Place of Birth: (City & State)

Number of Dependents (Excluding applicant)

Applicant's Employer:

Occupation/Position:

Employer's Telephone Number:

How long at present position?

Years

Months

Gross Monthly Salary (before deductions):
\$

Spouse/Co-Applicant Name: (Last, First, M.I.)

Social Security Number

Mailing Address (Street/PO Box, City, State, Zip Code)

Date of Birth (City & State)

Employer's Telephone Number:

Spouse/Co-Applicant's Employer

Occupation/Position:

Gross Monthly Salary (Before deductions):
\$

How Long at Present Position?

Years

Months

Nearest relative not living with you/Contact Person Name: (Last, First, M.I.)

Telephone Number:

Mailing Address (Street/PO Box, City, State, Zip Code)

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 Estimate all income and expenses for the 12 month period after receiving loan

PROJECTED STATEMENT OF PROFIT & LOSS		
Applicant's Name:		SSN/EIN:
For the Period Beginning:		And Ending
Gross Receipts:		\$
Cost of Goods Sold:		
Beginning Inventory (If Applicable)	\$	
Add: Purchases		
Less: Ending Inventory		
Total Cost of Goods Sold		(-)
GROSS PROFIT:		\$
OPERATING EXPENSES:		
Proprietor's or Officer's Salary	\$	
Salaries to Employees	\$	
Employee Expenses	\$	
Payroll Taxes	\$	
Fuel	\$	
Electricity	\$	
Telephone	\$	
Automobile Expenses	\$	
Rent or Lease Payment	\$	
Office Supplies	\$	
Maintenance & Repairs	\$	
Dues & Subscriptions	\$	
Travel Expenses	\$	
Entertainment	\$	
Professional Services	\$	
Taxes & Licenses	\$	
Insurance	\$	
Advertising & Promotion	\$	
Bad Debts	\$	
Other	\$	
	\$	
	\$	
	\$	
Total Operating Expenses		(-)
OPERATING INCOME		\$
OTHER EXPENSES:		
Depreciation	\$	
Interest	\$	
Total Other Expenses		(-)
OTHER INCOME:		
	\$	
	\$	
	\$	
Total Other Income		(+)
TOTAL NET INCOME		\$

EXPLAIN HOW YOU MADE THE ABOVE PROJECTIONS ON THE NEXT PAGE

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AUTHORIZATION TO OBTAIN CREDIT AND/OR RELEASE INFORMATION

I authorize the Division of Economic Development to obtain information from, or release any information contained in my loan application and attachments to the following agencies:

- U.S. Department of Labor
- U.S. National Marine Fisheries Service
- U.S. Coast Guard
- Alaska Department of Fish and Game
- Alaska Commercial Fisheries Entry Commission
- Alaska Child Support Enforcement Division
- Alaska Permanent Fund Dividend Division
- Alaska Department of Public Safety
- Alaska Post Secondary Education
- Alaska Division of Motor Vehicles

I further authorize any individual or institution to release credit information concerning me to the Division of Economic Development. This authorization is given to enable the Division of Economic Development to evaluate my loan request. Verification may be obtained from any source named in this application and from any credit-reporting agency. I understand additional information may be requested as part of the quality control program at any time during the lending process.

It is understood that a photocopy of this form will serve as authorization.

Applicant's Signature:	Co-Applicant Signature:
Please Print Name:	Please Print Name:
Social Security Number:	Social Security Number
Date:	Date:

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OATH

I understand and agree that if I submit any false, inaccurate, or incomplete information in this application and attachments, I will be subject to the following:

My application will be denied.

If I receive a loan based on the false, inaccurate, or incomplete information, and this information is disclosed in the future, the loan will be canceled and immediately payable.

I certify under penalty of perjury that all the information provided in this application and attachments is true, accurate and complete. I am aware that the maximum penalty for perjury, a Class B felony under AS 11.56.200(c), is a fine of up to \$50,000 (AS 12.55.035(b)(2)) and imprisonment for up to 10 years (AS 12.55.125(d)).

Applicant's Signature:

Date:

Applicant's Signature:

Date:

Acknowledgment

State of Alaska)
) ss.
_____ Judicial District)

The foregoing instrument was acknowledged before me this _____ day of _____, 20 _____

By (Name of person(s) who acknowledged): _____

Notary Public/Postmaster

My Commission Expires: _____

If you become aware of inaccurate or incomplete information which is contained in your application, you should submit a written request to the Director of the Division of Economic Development which contains the following information:

A description of the challenged information

Changes necessary to make the information accurate or complete

Your name and address