

Small Business Lending Services

Land and Building Acquisition
Leasehold Improvements
Machinery/Equipment
Building Construction
Working Capital

For More Information Contact:

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Microloan Program

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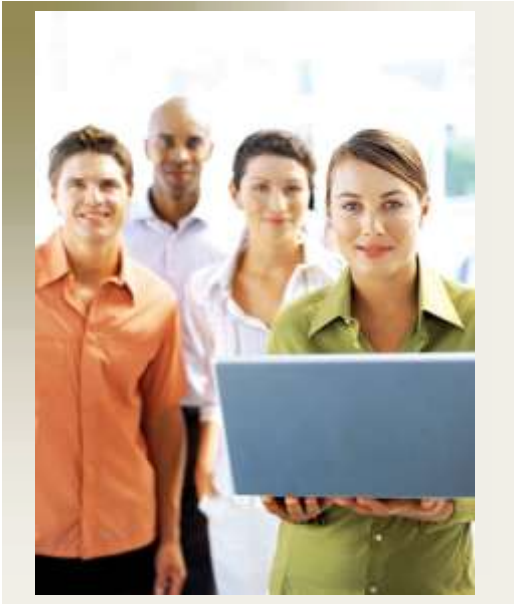
Need a Loan for your Small Business?

We can help.

Microloan Program



Five County Association of Governments



Would you like to start or grow your own small business?

- Use your talents and creativity?
- Supplement your income?
- Be your own boss?

Have you been unable to get traditional bank financing because:

- Business has no operating history?
- Lack collateral to secure the loan?
- Credit history less than perfect?

If you answered yes to any of these questions, the Microloan Program may be able to assist you!

Addressing the Need

The Microloan Program focuses on loans of \$25,000 or less. The importance of these loans lies in their ability to offset the difficulty that businesses experience in receiving traditional bank financing. If a candidate needed more than \$25,000 they would be encouraged to apply with the traditional Five County Revolving Loan Fund process.

Microloan Program Purpose

Assist low and moderate income citizens, women and minorities to better themselves through enterprise ownership.

Flexible solutions for Your business needs

Microloan Terms

- Eligible businesses- Start-up and existing businesses located in Beaver, Garfield, Iron, Kane and Washington Counties.
- No 100% financing- A minimum of 10% owner equity will be targeted.
- Collateral- Liens on all business assets & property must be pledged.
- Interest Rate- Prime plus 4%
- Term- 3-5 yrs. based upon life of the asset.
- Fees- Loan origination/application fee at 1.5% of loan amount.

Lending Process

1. The applicant will begin consultation with the Small Business Development Center (SBDC) at Dixie State or SUU.
2. The SBDC counselor will assist the client in narrowing the focus, enroll him/her in a FastTrac or BisSMART course (if applicable), and assist in business plan preparation.
3. SBDC counselor will help prepare the microloan application.
4. Upon completion, the applicant will submit the application to the Five County Revolving Loan Fund program manager. If determined complete, a meeting with the Board will be scheduled.
5. The Revolving Loan Fund Board will approve or decline the loan.
6. If approved, the Revolving Loan Fund program manager will prepare the necessary documentation to close the loan.
7. At closing, personal guarantees will be signed by anyone owning 20% or more of the business.
8. Loan funds are disbursed. Within 30 days, copies of checks and invoices must be delivered to Five County in order to verify use of funds.
9. The Revolving Loan Fund program manager will file the UCC-1 reports on the collateral.
10. Once each quarter, the SBDC counselor or Revolving Loan Fund program manager will call on the business to review financial statements and visit the business.