



PROCEDURES

Application Form

A request for a loan will not be considered until the attached application form is completed and all required exhibits are submitted. The application form should be completed according to the instructions provided, and exhibits should be attached according to the index of exhibits at the end of the application form. A separate application should be prepared for each proposed project.

Submission of Application

Forward the original and two copies of the completed application to:

Bucks County Industrial Development Authority
Suite 100
11 Welden Drive
Doylestown, PA 18901

Notice of Receipt of Application

Bucks County Industrial Development Authority (BCIDA) staff will review the application for completeness and eligibility and will notify the applicant when a complete application has been received and is acceptable for processing. Where applications lack required information or where additional materials are needed, BCIDA staff will devote a reasonable amount of time to work with the applicant to assist in completing the application. However, applications that are unable to meet required qualifications will not be considered by the BCIDA Loan Review Committee. In addition, applicants may provide, or may be asked to provide, additional clarifying information during initial review of the application. Any additional information must be provided to the BCIDA when requested.

Review and Recommendation

Once a completed application has been received, the loan request will be scheduled for consideration at the next regularly scheduled BCIDA Loan Review Committee meeting. Meetings will generally be held once every month at the BCIDA offices. Applicants whose loan is under consideration may be asked to attend.

Questions

Any questions on the status of an application should be directed to BCIDA staff at 267-880-6071.

LOAN FUND APPLICATION

1. Legal Name and Address of Applicant

Name: _____

Address: _____

City: _____ State: _____ Zip: _____

Contact Person: _____ Title: _____

Telephone Number: _____ Email Address: _____

2. Project Location: _____

3. Type of Project:

☐ Industrial

☐ Bucks Enterprise Zone

☐ Commercial

☐ Brownfield

☐ Retail

☐ Main Street

4. Description of Business: _____

_____ DUNS # _____

5. Federal Tax Identification Number: _____ or

Borrower's Social Security Number: _____

6. Form of Organization of Borrower(s): *Please check the appropriate category.*

____ Individual Proprietorship

____ Partnership: ☐ General ☐ Limited

____ C Corporation: ☐ Private ☐ Public

____ S Corporation

Date of Incorporation _____ State _____

____ LLC ☐ LLP

____ Other Explain: _____

7. Is the company wholly or partly owned by any other business?

☐ No ☐ Yes Explain: _____

8. Loan Amount Requested: \$ _____

PROJECT DESCRIPTION

1. Project Location

Common Address: _____

Tax Parcel Number(s): _____

Site Size: _____

Building(s) Size: _____

Attach EXHIBIT 1 a copy of the Legal Description, Survey, and Site Plan for acquisition/construction.

2. Describe the nature of the project in one paragraph (acquisition of buildings, machinery, new construction or rehabilitation, business expansion or development). If the project is commercial, indicate lead tenant(s) or users committed to date:

3. Explain why the BCIDA loan is necessary to your company or project:

4. Sources and Uses of Funds

Use	Total Amount	BCIDA Loan	Debt	Equity
Purchase of Land	\$	\$	\$	\$
Purchase of Existing Facility	\$	\$	\$	\$
Demolition/Rehabilitation	\$	\$	\$	\$
New Construction	\$	\$	\$	\$
Working Capital	\$	\$	\$	\$
New Machinery and Equipment	\$	\$	\$	\$
Legal/Accounting Fees	\$	\$	\$	\$
Architect/Engineering Fees	\$	\$	\$	\$
Contingency/Other	\$	\$	\$	\$
Total	\$	\$	\$	\$

5. Attach form of property control (option, contract, lease, fee simple, etc.) as EXHIBIT 2.
6. Attach detailed cost estimates of equipment, machinery, rehabilitation, or construction as EXHIBIT 3.
For property acquisition, a recent appraisal by a Qualified MAI Appraiser is required as EXHIBIT 8.

FINANCING INFORMATION

1. Private Lender Information:

Amount of Loan: _____ Rate/Term: _____

Lender: _____

Address: _____

Contact Person: _____ Telephone Number: _____

Please Note:

Funds will generally only be provided if the lender and the borrower offer firm commitments (See EXHIBIT 5, Draft Commitment Letter) to participate, and the borrower demonstrates that it has the financial capacity to deliver the resources to which it has committed. The applicant must provide evidence of both firm commitment and financial capacity. In addition to the general provisions, lender commitment letters should include a description of the type of loan (e.g. first mortgage, permanent financing, construction financing, etc.) which the lender is proposing to make, the status (approved, conditionally approved) of the loan, and any special conditions of the loan including the amount, interest rate, term, and collateral.

If the issuance of bonds is involved in the financing of the proposed project, attach a copy of the inducement resolution from the issuing entity and a letter from the proposed underwriter or investor committing to purchase the bonds. Such letter must include the amount and use of bond funds and all terms and conditions of purchase

2. Equity

Equity Amount: _____ Source: _____

BORROWER INFORMATION

- 1. Background of Borrower** *(Briefly describe the borrower's experience within the industry or with similar projects and the management and personnel responsible for project implementation.):*

- 2. Attach the latest financial statement (dated within 3 months of application date) and financial statements for the last 2 years as EXHIBIT 6.**

- 3. Attach detailed business projections as EXHIBIT 7.**

- 4. Bucks County Industrial Development Authority Loan Request**

Amount of Loan Requested: \$ _____ Proposed Term: _____

Proposed Amortization Schedule: _____ Proposed Rate: _____

Collateral: _____

- 5. Other Terms and Conditions:** _____

- 6. Permanent Job Creation and Retention**

	Full-Time Jobs	Part-Time Jobs	Estimated Payroll
Number of jobs currently at project site			
After completion			
One year after completion			
Three years after completion			
Number of permanent jobs created			

Explain basis for job creation estimates: _____

Describe the types of full time permanent jobs to be created, by category, number, skilled or unskilled and income. **(for example Construction, Office and administrative support, Building Maintenance, Healthcare, Hospitality, Production, Protective Services, Skilled Trades, Transportation and/or Warehousing, Technical, Managerial, Supervisory)**

Job Category	Number	Skilled/ Unskilled	Hourly wage or Salary

PROJECT SCHEDULE

List the projected schedule for completion. If the proposed project has more than two phases please replicate and complete the form for additional phases.

Phase 1: _____

	Starting Date	Estimated Project Expenditures	Completion Date
Property Acquisition			
Private Construction or Rehabilitation			
Equipment Purchase			
Working Capital			

Phase 2: _____

	Starting Date	Estimated Project Expenditures	Completion Date
Property Acquisition			
Private Construction or Rehabilitation			
Equipment Purchase			
Working Capital			

EXHIBITS

Please provide the following list of EXHIBITS:

- EXHIBIT 1: Legal Description, Survey, and Site Plan for acquisition/construction
- EXHIBIT 2: Form of Property Control
- EXHIBIT 3: Cost Estimates of Equipment, Rehabilitation, and Construction
- EXHIBIT 4: Lender Commitment
- EXHIBIT 5: Borrower Commitment
- EXHIBIT 6: Certified Financial Statements or 2 years most recent Federal Tax Returns
- EXHIBIT 7: Business Projections / Pro forma
- EXHIBIT 8: For property Acquisition, a recent appraisal by a Qualified MAI Appraiser
- EXHIBIT 9: Personal Guarantee, only when required by the Loan Review Committee

EXHIBIT 4: SAMPLE LENDER COMMITMENT

(Date)

Re: (Project Name)

Dear (Developer/Firm):

The _____ (lender) commits to provide a loan in an amount not to exceed \$ _____ to _____ (borrower) for purposes of providing funds for the _____ (project description) located at _____ (address), Bucks County, Pennsylvania.

The terms of the loan are as follows:

Describe or list the following:

- Maturity
- Amortization schedule/repayment schedule
- Interest rate Prepayment Finance Fees Security
- Guarantees (if necessary)
- Other terms as set forth by the lender

The loan commitment is subject to the following conditions:

(Describe the conditions under which the lender is making the commitment. **Note:** For purposes of BCIDA approval, all conditions must be satisfied in order for BCIDA to commit its funds. An acceptable outstanding contingent condition would be the developer's receipt of BCIDA funds.)

Sincerely,

Signature

Title

Name of Lending Institution

Accepted by the borrower:

Signature

Title

Date

EXHIBIT 5: SAMPLE BORROWER COMMITMENT

(Date)

Bucks County
Industrial Development Authority
Suite 100
11 Welden Drive
Doylestown, PA 18901

Re: (Project Name)

Dear Chairman:

Subject to the BCIDA's participation of \$ _____ the following investments.....

Describe or list the following:

- Location of the project
- Type of property control
- Project costs and proposed sources of funds, all identified clearly
- Proposed terms of repayment of revolving loan fund per the undersigned agrees to

As a result of the development described above, the undersigned will commit its best efforts to create (retain) x number of jobs over a _____ year/month period (include a brief explanation of the rationale for job creation projections).

BCIDA participation in financing is necessary because (list the reasons why BCIDA loan funds are necessary).

The undersigned is willing to sign a legally binding commitment upon award of the funds.

As title of signatory, the undersigned has the authority to commit the organization. As a result of the receipt of funds in the amount of \$_____, the above described investments, job creation, and operations will occur within the County of Bucks over a _____ month period beginning _____ and ending _____.

Sincerely,

Signature Title Company/Organization

ANNUAL FOLLOW-UP

Instructions

This follow-up form must be returned to the BCIDA 12 months after issuance of the loan. Under "Project Benefits," indicate the number of jobs created, the amount of real estate and sales taxes, and the level of investment directly resulting from the project for which the original loan was taken. The first column is for the projections listed on the original Loan Fund application, the second column should reflect actual jobs, taxes, and investment to date, and the third column is for projections for the next 24 months. Under "Additional Benefits," please list other benefits from the project including non-quantifiable benefits.

Project Information

1. Name of Borrower: _____
2. Address of Borrower: _____
3. Contact Person: _____ Telephone: _____
4. Project Location (if different from above): _____

Project Benefits

	Estimate from Application	Actual to Date	Estimated Over Next 24 Months
Jobs created and/or retained			
Real Estate taxes			
Sales and/or income taxes			
New Investment			

Additional Benefits

Please list all additional benefits from the project. (For example, removal of blight.)

Submitted by: _____ Date: _____

Please return to:

Bucks County Industrial Development Authority
Suite 100, 11 Welden Drive
Doylestown, PA 18901
Phone: 267-880-6071 Fax: 267-880-6579

INTEREST RATES AND LOAN TERMS

While loan rates, terms, and conditions are determined on a case-by-case basis, based upon the financial strength of the borrower and the underwriting principals, the overall mission of the Bucks County Industrial Development Authority (BCIDA) is to actively promote a strong and vibrant economy through new business investment and robust job creation and retention. For that reason, our underwriting allows for a greater risk than commercial banks will generally accept and loans made by the BCIDA involve discounted financing, ordinarily ½ percent below the current prime rate, with an amortization or repayment schedule tied to the life of the asset. Generally the rates and terms are as follows:

Land & Building	20 year amortization with 10 year balloon payment
Machinery & Equipment	7 year amortization with 5 year balloon payment
Working Capital	5 year amortization with 3 year balloon payment

FEES

Non-Refundable Application Fee as follows:

Loans up to \$100,000	\$250.00
Loans up to \$200,000	\$750.00
Loans from \$200,001 up to \$500,000	\$1,000.00
Loans from \$500,001 and up	\$1,500.00

Placement Fee

One percent (1%) of loan payable at closing (may be modified upon approval of the BCIDA) in addition to related and necessary legal fees, including document preparation and processing.