Before a good idea becomes reality and makes money, money is usually needed. Most new businesses find financing harder to come by than the great idea.

**Type of Eligible Businesses:**
- Industrial/Manufacturing
- Retail Commercial
- Service/Professional

**Loan Terms and Conditions:**
- Working Capital, 3-5yr Amortization
- Fixed Assets (Machinery and Equipment), 3-7yr Amortization
- Purchase of Land & Building, 10yr Amortization with a 5-year call
- All loans must be adequately collateralized

**Job Creation Criteria:**
- Emphasis on job-creating projects: One job created or retained for every $15,000 of BLF funds loaned

**Fixed Interest Rate**
- Up to 4 points below Wall Street Journal Prime Rate, but not less than 4%

**Typical Financing/Loan Structure:**
- 60% 1st Mortgage from Private Sector Lender (participation by a primary lender is required)
- 30% Participation from Revolving Loan Fund (up to $100,000)
- 10% Business Owner Cash (Equity)

**Eligible Borrowers:**
- Owner-User Business
- For-Profit Companies
- Non-Profit Entities

**Borrower Fees and Costs:**
- $75 Application Fee
- 1.5% Loan Origination Fee
- Credit Report and Closing Fees as Necessary
- Declining term, "key-man" life insurance for the amount of the loan

Applications for refinancing existing debt will not be considered, unless there is a clear and compelling economic justification.

Funds cannot be used to finance equity investments (i.e., simple purchase of a company’s stock).
BLF Applicants Are Required To Comply With the Following Federal & State Regulations:

- Davis-Bacon Act ([http://www.dol.gov/compliance/laws/comp-dbra.htm](http://www.dol.gov/compliance/laws/comp-dbra.htm)), when RLF funds are used for construction.
- Section 601 of title VI of the Civil Rights Act of 1964, as amended (42 U.S.C. § 2000d et seq.)
- Other federal statutes, regulations and Executive Orders, as applicable

*This is a gap financing program. The Business Loan Fund can provide up to 30% of the financing needed by the applicant. Applicants must obtain the majority of the necessary financing from a primary lender.*

Loan Approval Process: Loan applications are processed through underwriting; they are then reviewed by the loan review committee, then are approved or denied by the full business loan fund board. The business loan fund board meets once a month on the 4th Thursday of each month when it has BLF business to conduct. COMPLETE applications must be received at least 2 weeks prior to the full board meeting so that the application can be fully processed before the scheduled board meeting.

In order to qualify for a loan you must submit a **Business Loan Fund Application** and a Business Plan. The following Small Business Development Centers provide business planning assistance and classes.

<table>
<thead>
<tr>
<th>CARBON AND EMERY COUNTIES</th>
<th>San Juan County</th>
<th>Grand County</th>
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<tbody>
<tr>
<td>Utah State University</td>
<td>Utah State University</td>
<td>USU Moab Education Center</td>
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<tr>
<td>College of Eastern Utah</td>
<td>College of Eastern Utah</td>
<td>125 W 200 S</td>
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<tr>
<td>Price Campus</td>
<td>Blanding Campus</td>
<td>Moab, Utah 84532</td>
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<tr>
<td>451 E 400 N</td>
<td>576 W 200 S</td>
<td>Beth McCue</td>
</tr>
<tr>
<td>Price, UT 84501</td>
<td>Blanding, UT 84511</td>
<td>435-259-7432</td>
</tr>
<tr>
<td>Ryan Murray</td>
<td>Tim Chamberlain</td>
<td><a href="mailto:beth.mccue@usu.edu">beth.mccue@usu.edu</a></td>
</tr>
<tr>
<td>435-613-5460</td>
<td>(435) 678-8102</td>
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<tr>
<td><a href="mailto:ryan.murray@usu.edu">ryan.murray@usu.edu</a></td>
<td><a href="mailto:tim.chamberlain@usu.edu">tim.chamberlain@usu.edu</a></td>
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For further information or to set up an appointment call Dawna Houskeeper at (435) 613-0031 or email: dhouskeeper@seualg.utah.gov

The Southeastern Utah Association of Governments
Business Loan Fund Program Fills the *Gap!