



Business Revolving Loan Program

Loan Application Instructions

Thank you for your interest in applying for a loan through the Town of Carrboro's Business Revolving Loan Program. Please carefully review the following instructions to ensure that your application is complete and meets all requirements:

General Requirements

- Each applicant is limited to one loan from the program at any given time.
- Loans are available to for-profit and social businesses in Carrboro Town Limits or agricultural-based businesses within the Carrboro Economic Region.
- Agricultural-based businesses must demonstrate economic ties to Carrboro, such as direct-to-consumer sales, retail distribution network, or incorporating items produced within Carrboro Town Limits.
- A personal guarantee is required for all investors who hold more than 20% ownership in the enterprise.
- Business owners must collectively have a minimum of 10% contribution to the total investment.
- Businesses must have less than 50 employees and no outstanding taxes or fees due to the Town of Carrboro or Orange County.
- No more than 30% of the total revolving loan fund value may be loaned to agricultural-based businesses, so please contact Town staff to ensure there is funding available.

Loan Types, Terms, and Conditions

- Determine the appropriate loan type based on your business's stage and financial needs.
- Review the specific terms and conditions for each loan type, including rates, terms, security requirements, and eligibility criteria.
- Ensure that your business meets the requirements outlined for each loan type before applying.

Other Terms and Conditions

- Familiarize yourself with additional terms and conditions, including job retention, late payments, use of loan funds, and business wages and salary requirements.

- Understand the definitions provided in the policy document to ensure compliance with eligibility criteria.

Application Process

- Complete all sections of the loan application form accurately and provide all requested attachments and information.
- Include any required documentation, such as financial statements, business plans, or collateral documents.
- Certify the accuracy of the information provided in the application.
- Submit the completed application and supporting documents to the Town of Carrboro's Economic Development Department.

Review and Approval

- Applications will be reviewed based on eligibility criteria, loan availability, business plan viability, and financial health and stability by the Town's Economic Sustainability Commission.
- Applicants may be contacted for additional information or clarification during the review process and may be required to attend public meetings.
- Once approved, loan terms and conditions will be communicated to the applicant for acceptance.
- Funds will be disbursed according to the policy and approved loan agreement.

Contact Information

For questions or assistance with the loan application process, please contact the Town of Carrboro's Economic Development Department at 919-918-7319 or EconDev@CarrboroNC.gov.

Thank you for considering the Town of Carrboro's Business Revolving Loan Program to support your business growth and development. We look forward to receiving your application.



Business Revolving Loan Program

Loan Application Form

Eligibility Confirmation

_____ I confirm that I have read and I am eligible for this loan based on the criteria outlined
Initial in the Town of Carrboro's Business Revolving Loan Policy.

General Information

1. Business Name: _____

2. Business Address (Carrboro Town Limits or Carrboro Economic Region for agricultural-based businesses):

3. Business Phone Number: _____

4. Business Email: _____

5. Business Type: For-profit Social Business Agricultural-based*

*If Agricultural-based, please list the [NAICS code](#) for 50% of revenue: _____

6. Is this/will this be a low-to-moderate income or BIPOC business? Yes No

7. Number of Employees (FTEs): _____

8. Hourly Rate of Lowest Paid Employee: \$ _____

9. Contact Name: _____

10. Contact Address:

11. Contact Phone Number: _____

12. Contact Email: _____

13. Ownership:

Owner Name(s)	Percent of Ownership

14. Loan Type Requested (select one):

- Start-Up Level Growing Level Capital Level Investment Level
- Agricultural Level (*\$35,000 maximum*)

15. Loan Amount Requested (*\$80,000 maximum*): \$ _____

16. Purpose of Loan (select all that apply):

- Inventory Working Capital Equipment Purchase Leasehold Improvements
- Owner-User Real Estate

Financial Information

17. Gross Revenue (for the last fiscal year): \$ _____

18. Personal FICO Score (for owners with 50% or more shares): _____

19. Have you had a previous loan from this program?

- No Yes (Amount: \$ _____ Date: _____)

20. Financing Source(s) and Amounts:

Financing Source(s)	Amount	Percent
TOTAL		

Required Document Attachments

Please provide the following additional information or documents with this application:

EXISTING BUSINESSES

- | | |
|--|--|
| <input type="checkbox"/> Business Plan or Business Model | <input type="checkbox"/> Personal Credit Report (for owners with 50% or more shares) |
| <input type="checkbox"/> Income Statement | <input type="checkbox"/> Personal Bank Account Statements (for owners with 40% or more shares) |
| <input type="checkbox"/> Balance Sheet | <input type="checkbox"/> Title or Deed of Collateral (if required) |
| <input type="checkbox"/> Cash Flow Statement | <input type="checkbox"/> Orange County Living Wage Certificate (if applicable) |
| <input type="checkbox"/> Employee Payroll Information with names redacted (if Orange County Living Wage Certificate is not provided) | |

NEW BUSINESSES/STARTUPS

- | | |
|--|---|
| <input type="checkbox"/> Business Plan | <input type="checkbox"/> Financial Projections for first 3 years |
| <input type="checkbox"/> SBTDC/SBC Consultation Letter | <input type="checkbox"/> Market Analysis/Market Validation Narrative |
| <input type="checkbox"/> Personal Credit Report (for owners with 40% or more shares) | <input type="checkbox"/> Personal Bank Account Statements (for owners with 40% or more shares) |
| <input type="checkbox"/> Licenses & Permits Required | <input type="checkbox"/> Business Organization Documents (eg. articles of incorporation, bylaws, partnership agreements, etc) |
| <input type="checkbox"/> Title or Deed of Collateral (if required) | |
| <input type="checkbox"/> Personal Resume/Experience | |

AGRICULTURAL-BASED BUSINESSES

Please provide the following documents in addition to the Existing Business documents.

- Previous 2 years Business Tax Filings
- Deed/Lease Agreement for Acreage Under Cultivation
- Letter or Certificate from North Carolina Farm School or SBTDC/SBC
- Distribution Records/Agreements
- Carrboro Economic Ties Narrative

Certification

I certify that the information provided in this application is true and accurate to the best of my knowledge. I understand that providing false information may result in the rejection of this application or the termination of any loan agreement granted based on this application.

Signature: _____ Date: _____

Please submit this completed application along with any required documentation to the Town of Carrboro's Economic Development Department. Please note, should the loan be granted, a closing fee of 1% of the loan amount is due at closing.

INTERNAL USE		
Received: _____	Decision: Yes No	Date: _____
Amount: _____	Term: _____	Rate: _____
Security: _____		