



Welstead Fund Loan Guidelines

PROGRAM INTRODUCTION

The Welstead Fund is a micro-loan fund that provides small loans to startup, newly established, or growing small businesses.

This fund is named after the late Marvin Welstead, a Fremont advocate and co-founder of Greater Fremont Development Council. His vision was to see the Fremont area grow and seeing small businesses thrive.

FINANCE TERMS

Loan Amounts- The maximum will be \$5,000. Client must show project amount and intention to provide a 1:1 match on application information. Bids will be used as exhibits as proof of project cost.

Interest Rate & Terms

No loan will be offered for longer than 18 months. Interest rate would be determined by loan term request.

- 6 month term = 0% interest
- 12 month term = 1% interest
- 15 month term = 2% interest
- 18 month term = 3% interest

If it is determined by the loan administer that deferral of the principal of payment for a period not to exceed one (1) year would likely lead to the success of the project, and that upon review of updated financial information filed by the borrower of that business and guarantees remain viable and likely source of recovery in case of default, deferral may be allowed as approved by the Board of Directors.

ELIGIBLE BORROWERS

Newly established or growing small business with 20 or less FTE's (as defined by annual payroll hours divided by 2080) that demonstrate an ability to repay the loan. Applicant must be owner or must provide a release from the owner stating they are eligible to make improvements. Targeted but not restricted economic areas for the program include businesses located in Downtown Fremont and those supporting through other Dodge County communities or through STEM-related careers (at this time the Welstead Fund is not supported by other Dodge County lending institutions).



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ELIGIBLE USES

Real Estate Improvements (not new construction) such as facades, exterior, and interior, including but not limited to:

- Signage
- Windows
- Paint
- Doors
- HVAC
- Electrical
- Lighting
- Energy efficiency improvements
- Others deemed real estate improvements

INELIGIBLE USES

- Refinancing existing debt
- Housing-related improvements
- Equipment
- Working capital
- Non-real estate related activities or property

COLLATERAL

No physical collateral required.

Unlimited business and personal guarantees are required for all owners with a 20% or greater ownership interest in that business.

APPLICATION REQUIREMENTS

Prospective borrowers shall submit a completed application with the following supplemental information provided separately.

- Provide appropriate municipal permit approval
- Bids or cost verification of some form as exhibits attached to application
- Financial statements of the business (Current plus up to 3 prior years unless a new startup. If startup, two years financial projections.)
- Most current personal financial statements for all those with 20% or greater ownership interest.
- Signed credit history search authorization.
- Signed Memorandum of Understanding Fees (If loan is denied the application fee will be waived and returned to client. Credit Report fee is nonrefundable.)
- Check to Greater Fremont Development Council for \$75 to cover application fee and \$15 (nonrefundable) credit report fee.
- Applicant must complete project within 180 days. If no extension is requested or construction is not completed, applicant must pay ending balance in full within 30 days of final notice.



Welstead Fund Application

Date of Application ___/___/___

COMPANY INFORMATION

Business Name: _____

Address: _____

Contact person: _____ Title: _____

Email: _____ Phone: _____

Business Description: _____

Is Business in targeted area? See eligible borrowers. If so, describe: _____

Names, addresses, titles and percentage of ownership of all owners, officers, directors and shareholders (20% or greater) of the company. Attach additional sheets if necessary.

Name	Title	Address	%Owned

PROJECT INFORMATION

Project Address: _____

Owner of Property: _____ Contact Person: _____

Address: _____

Email: _____ Phone: _____

Current value of property \$ _____

Estimated value of property after project completion \$ _____

Nature of project or activity for which assistance is requested: _____

Specific improvement to be made (attach additional sheets): _____



Welstead Fund Application

PROJECT INFORMATION CTD.

Number of Existing Employees		Projected Job Creations				Total Created
Full Time	Part Time	Year One		Year Two		
		Full Time	Part Time	Full Time	Part Time	

Are the new positions created benefit eligible? If so, please enumerate: _____

How will the Company address the training needs for the retained and created positions?

LOAN INFORMATION

Applying for: Direct Loan
 Participation loan with area lender: _____

Loan Officer: _____

Email: _____ Phone: _____

Amount of loan: _____ Terms of payback: _____

Collateral: _____

Anticipated sources and uses

Source and Amount		Use and Amount	
Cash (owners injection)	\$	Land	\$
Loan (Welstead Fund)	\$	Building	\$
Participating Lender	\$	Capital Equipment	\$
Other:		Working Capital	\$
	\$	Other	
	\$		\$
	\$		\$
Total Project Cost	\$	Total Project Cost	\$



LOAN INFORMATION CONT.

Please provide proof of insurance for the following - Fire, Hazard, Life, Flood & General Liability (if applicable).

List below the names of any past or present Greater Fremont Development Council Staff or GFDC Board members who are related by blood, marriage, adoption or who have any present or past financial interest or association with applicant, or any of applicant's partners, officers, directors, stockholders, or business:

Name	Address	Relationship or Interest

INFORMATION CERTIFICATION

I/we hereby certify that the information contained in this application and any attachments are true, complete and accurate. I/we realize that this document is just the application for the loan. A loan request will not be approved until a formal approval is made by the loan committee and GFDC Board of Directors.

Signature

Signature

Title

Title

Date

Date

CONTACTS

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