



Mount Airy Business Relief Loan Application

Funds Available in FY20-21: \$33,770

Overview

- Interest free, financed for 48 months with payments deferred the first 12 months.
- The first payment is due on the 1st of the 13th month.
- The payment amount will be determined by dividing the loan amount by the remaining 36 months.
- If payment becomes 30 days past due, a 2% interest rate per annum will be assessed to the remainder of the loan.
- Eligible applicants must be in business since January 2019 and;
 - Have been affected by the COVID-19 closures and regulations during the 2020 year or,
 - Are a new or existing business expansion that will help the town fill some vacancies left by businesses during the COVID-19 pandemic
- The applications will be processed by David Warrington and Town Accounts Receivable Staff, then prepared for review by the Loan Review Committee (Committee)
- Requests may be made from \$5,000-\$10,000, but Review Committee can scale back any request made to a lesser amount, down to \$5,000.
- Committee approval based on an analysis of the application materials and potential viability of the business.
- Funds may be used for inventory, technology, operating expenses, interior building improvements, and/or exterior building improvements.
- Must be brick and mortar business that contributes to our tax base*, provides a service, product and employment opportunities.

Loan Protection

- A personal guarantee— a legal promise made by the individual to repay credit issued to their business using their own personal assets in the event that the business is unable to repay the debt.
- Applicant may be asked to place the Town at a minimum in second position as a creditor.

In lieu of a secured business loan, the following may be considered:

- Co-signer on the loan - another individual or group agreeing to back the loan if the original debtor fails to make payments.
- A secured business loan. This is a loan that requires a form of collateral, such as real estate or a piece of equipment. In the event that a company defaults on its loan, the lender (Town) has the right to seize the collateral and sell it to recoup any balance owed.

*Contributing to the tax base as; a real property tax holder at the business location, a licensed business with the Town of Mount Airy and/or pays Tangible Business Personal Property Taxes to the Town of Mount Airy.



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Thank you for applying to the Town of Mount Airy Business Relief Loan Program. Please fill out this form with as much detail as possible and gather all required documents. Drop off the complete loan request package to Town Hall at 110 South Main Street, Mount Airy, MD 21771 or mail to Business Relief Loan Program, P.O. Box 50, Mount Airy, MD 21771.

1. General Business Information

Registered Business Name: _____

Number of Years in Business: _____

Business Owner(s) Name(s): _____

Email: _____

Cell Phone: _____

Business Address: _____

Mailing Address: _____

Loan requests may be made in any amount from \$5,000 – \$10,000.

Amount of Loan Application Request (\$): _____

What do you plan to use the money for? _____



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2. Application Attachments

- A. Please provide estimated **cash flow projections** for your business – attach your own cash flow spreadsheet or download the template to fill out and attach.
- B. Please provide **2018 and 2019 tax returns**
- C. Attach year-to-date **Profit and Loss Statement**
- D. Attach year-to-date **Balance Sheet**
- E. Please attach current **bank statements** from both business and personal accounts

Signature _____ Date _____

Signature _____ Date _____