



## Bath Development Corporation Micro Capital Loan Program

### **ABOUT**

The Bath Development Corporation Micro Capital Loan Program provides low interest loans up to \$7,500 for one-time capital expenses including but not limited to equipment, machinery, furniture, and technology. This loan program is available for start-up and existing businesses; preference is given to business open for at least 6 months.

The intention of this program is to provide low-interest loans to spur positive economic development in the City of Bath. Businesses must be located in Bath, Maine.

Interest rates are the current Short-term Adjusted Applicable Federal Rate (AFR). Loans are short term. The repayment schedule is typically two balloon payments: the first at 18 months and the final at 24 months. Individual applicants may request alternate payment schedules to be considered by the Bath Development Corporation Board of Directors. If approved for a loan, the applicant and lender will enter into promissory note and security agreement.

### **INSTRUCTIONS**

- ❖ Please complete this application and provide the additional items requested.
- ❖ This program is rolling and the board will review applications monthly. If loan documents are received by the first of the month, they will be reviewed at that month's board meeting. (e.g., applications received no later than April 1 will be reviewed at the April board meeting.)
- ❖ Applications may be submitted via email to [eruger@cityofbath.com](mailto:eruger@cityofbath.com) or hand delivered to the Community & Economic Development office on the second floor of City Hall at 55 Front Street, Bath, Maine.
- ❖ If you have questions about the program or need assistance, please contact Emily Ruger, Director of Community & Economic Development at [eruger@cityofbath.com](mailto:eruger@cityofbath.com) or (207) 443-8330 x 4.

### **APPLICATION**

#### **Applicant / Personal Information Name**

Name

Phone

Email

Home Address, City, Street, Zip

Percent ownership of business

Business is sole source of household income

If no, please list other source(s)

Number of people in household

Adjusted Gross Income

(If you answer yes to any of the following questions, please provide an attachment with details)

- Have you ever been involved in bankruptcy or insolvency proceedings?
- Are you or your business involved in any pending lawsuits?
- Have you or your business ever been >60 days late repaying personal or business

debt?**Additional Business Owners**

Name

Phone

Email

Address, City, State Zip

Percent Ownership

**Additional Business Owners**

Name

Phone

Email

Address, City, State, Zip

Percent Ownership

**Business Information**

Name of Business

DBA

Business Description

Business Address, City, State, Zip

Phone

Email

Website

Type (check one that applies)

EIN #

Adjusted Gross Income From Tax Returns

**Proposed Financing**

Total Project Budget

Loan Amount Requested

Use of Funds

Other sources of project funding (if applicable)

**ADDITIONAL DOCUMENTATION**

All applicants must provide the documents listed below. Additional items may be requested by staff or Board of Directors.

- Complete, signed, and dated loan application for all owners with greater or equal to 20% ownership
- Two-side copy of valid photo identification for owners with greater or equal to 20% ownership
- Complete list of items to be purchased with loan, including associated cost and specifications, if applicable
- Most recent business and personal tax returns
- Most recent year-end balance sheet and income statement
- Current year-to-date balance sheet and income statement
- (If business has been open for <12 months) A business plan with at least 18 months of projected income and expenses.

***Note:** If a business has trouble generating any of the documents listed above, BDC will work with businesses to either waive required documents or obtain information in an alternate way. BDC is committed to supporting small businesses with the understanding that small businesses may not have the capacity to generate formal financial reports. Please contact staff for further information or to discuss.*

By signing this application, the signatory provides authorization Bath Development Corporation to perform a credit check.

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Applicant Signature

Today's Date

SSN

DOB