

# **Cambridge Business 2020 Cambridge Economic Development Revolving Loan Fund**

## ***Application Summary***

The Cambridge Economic Development Board is encouraging business development in the Cambridge area through the Revolving Loan Fund Project. This program will award a low-interest business loan to applicants that present compelling business proposals. Emphasis will be placed upon business proposals that build upon local resources including, but not limited to, agricultural products, telecommunications infrastructure, health care resources, tourism development, and specialty skills such as arts and crafts. Emphasis will also be placed upon projects that address the out-migration of young people from the area. Both new business proposals and plans for the expansion of existing businesses will be considered. The maximum loan amount is \$20,000, an equity injection of at least 10% of the total project is required, the interest rate is ½% below prime rate, and loan terms must not exceed the useful life of the assets financed. Generally, working capital 1 to 3 years, machinery and equipment 3 to 7 years, land and buildings up to 15 years. The Cambridge Economic Development Board will establish the specific terms of the loan at the time of approval.

The applicant's personal financial documents will remain confidential among the Officers of the Cambridge Economic Development Board. The Business Proposal and Business Financials will be reviewed by the Cambridge Economic Development Board, the Mayor of Cambridge, and the Executive Director.

The Business Proposal Summary and Business Proposal along with other supporting financial documents are required (listed below in boldface type). Applications will be reviewed following the monthly (2<sup>nd</sup> Wednesday) Economic Development Board meetings or at a special meeting if time sensitive and a meeting with applicants may be requested following the initial review. Applicants are encouraged to contact the Economic Development Board or Director for consultation in completing the application and referral to additional business development resources as needed. Applicants that are not awarded loans may request support in refining their business proposal and seeking alternative financial resources.

This project is open to any resident with a Cambridge zip code or at the discretion of the Application Review Committee.

### **Please answer the Business Proposal questions fully along with the following**

- 1. Applicants must supply a letter from a local lending institution stating
  - a. they are denying the loan with a reason statement, or**
  - b. they require a higher equity injection from the borrower****
- 2. Credit Application Form**
- 3. Three years Income Tax Returns**
- 4. At least one year Cash Flow projections**

Please return proposal via e-mail ([edcity@swnebr.net](mailto:edcity@swnebr.net)) or hard copy in a sealed envelope to Diane Henderson, Cambridge Economic Development Director (City office) P.O. Box Q, Cambridge, NE 69022. For questions, call 308-697-3711.

## Business Proposal

(Please limit to a maximum of five pages. If you have completed a business plan which addresses the following points, it may be substituted for this section.)

Company:		
Owner(s):		
Address:		
City:	State:	Zip:
Telephone:	E-mail:	

1. Briefly describe your business proposal:

2. Explain your experience with the type of business described in this proposal.  
(attach Resume' if available)

3. Describe the products and/or services your business will be marketing.

4. Describe the market for these products and/or services.

5. Who will be your competitors?

6. What is your marketing strategy?

7. Describe your short-term and long range goals for the business?

8. How will the business be organized (ie. sole proprietor, Inc., LLC.) and managed?

9. Describe where the business will be located.

10. What is the source and amount of owner equity to be invested in the business?

11. What amount of intermediate and long-term financing is required for this proposal?

12. What additional information do you feel is important for the Board to consider?