



REBUILDING FLORIDA BUSINESSES

Rebuild Florida Business Loan Fund **FREQUENTLY ASKED QUESTIONS**

What are the Eligibility Requirements?

Borrowers must:

1. Be an operating Business
2. Be located in the State of Florida and:
 - a. Operate primarily in the State of Florida; and
 - b. Be authorized to operate in the State of Florida
3. Have been affected by Hurricane Irma through physical damage or economic injury
4. Be owned and controlled by persons who are lawfully in the U.S. and have an appropriate work Visa
5. Be legally able to contract debt

What is Considered Allowable Lending?

Loans can be used for the following:

1. Working Capital
 - a. Line of Credit (this would be done in tranches with money that is pending disbursement remaining in an interest-bearing account with DEO)
 - b. Purchase Order
 - c. Seasonal Financing
 - d. Refinance Business Debt (must meet the justification for refinancing debt)*
 - e. Purchase Inventory
2. Fixed Assets
 - a. Construction – renovation/expansion/leasehold improvements
 - b. Machinery and Equipment
 - c. Acquisition of Land as part of a business development project
 - d. Furniture, Fixtures, and Equipment
 - e. Real Estate

3. Both

- a. Landscape and Property Improvements
- b. Business Acquisition
- c. Business Expansion

*Refinance Debt

To use the loan to refinance existing debt, the borrower must sufficiently demonstrate in loan documentation provided with the application a sound economic justification for the refinancing (e.g., the refinancing will support additional capital investment intended to increase business activities).

For this purpose, reducing the risk of loss to an existing lender(s) or lowering the cost of financing to a borrower shall not, without other indicia, constitute a sound economic justification.

What is the Interest Rate?

Minimum of 4% or 75% of prime rate listed in the *Wall Street Journal*, whichever is lower. In no event shall an interest rate be less than the lower of 4% or 75% percent of the prime interest rate listed in the *Wall Street Journal*. Should the prime interest rate listed in the *Wall Street Journal* exceed 14%, the interest rate will not be raised above 10%.

What are the Loan Terms?

| Loan | Size | Term | Application Fees | Loan Fees | Equity (Min 10%) |
|-------------|-------------------|-------------|-------------------------|---------------------|-------------------------|
| Express | \$350,000 maximum | 3-5 years | \$250 | 2% loan origination | Cash |
| Standard | \$500,000 maximum | 5-10 years | \$500 | 2% loan origination | Cash |

Is Collateral Required?

Loans over \$25,000 may require collateral. A discount rate may be used to reduce collateral value. Valuation of collateral and discount rates will be assessed on a per loan basis.

How Do I Apply?

Go to the link below to create a log in and complete an application:

<http://floridajobs.org/rebuildflorida/businessrecovery>

What are the Required Application Documents?

1. Complete application with the following documents:
 - o Copy of valid ID
 - o Copy of Business License
 - o Environmental Certification

- o Previous 6 months bank statements (both personal and business)
 - o Business plan
 - o Project plan
 - o 3-year schedule of jobs that will be created as a result of the loan with the average wage salary
 - o Balance sheet and income statements from 2015 to present (tax returns – business and personal)
 - o Recent balance sheet and projected operating statement with notes of explanation
 - o Resumes of key management personnel
 - o Personal financial statement of owner(s)
 - o Business financial statement of owner(s) if available
 - o Credit Check Authorization
 - o Business liability policy
 - o A listing of all outstanding liabilities
2. Environmental Narrative (if applicable)
 3. Signed Borrower Certification

How Are Applicants Approved or Denied?

All applications and documents are sent to a Loan Board for review. The Loan Board will review the following to make a decision:

1. Application
2. Project Summary
3. Loan Summary
4. Due Diligence and Underwriting
5. Credit Score

Are There Any Fees?

Express Application Fee = \$250 due when submitting an application

Standard Application Fee - \$500 due when submitting an application

Loan Origination Fee = 2% of loan

Collateral Valuation = if applicable

Where Can I Go for Assistance with My Application?

You can go to an eligible third-party lender or your local Small Business Development Network Center (SBDC).

Eligible Third-Party Lenders:

1. Federally regulated lender
2. State Regulated Lender
3. Small Business Lending Company (SBLC)
4. Certified Development Company (CDC's)

Find an SBDC Location: <http://floridasbdc.org/locations/>