MONTCO FORWARD LOAN

PROGRAM GUIDELINES

A collaborative economic development finance program of the Montgomery County Redevelopment Authority and the Montgomery County Commerce Department

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Section I – Program Overview

A. Introduction

Montgomery County utilizes a collaborative, holistic approach to provide economic development assistance to businesses, municipalities, non-profit organizations, and institutions throughout the County. Together with our expanding network of partners and stakeholders, we strive to make Montgomery County the place to live, work, learn, and invest.

The County’s flagship economic development program is the MontcoForward Loan Program (MFL). A cooperative initiative of the County’s Commerce Department and the Montgomery County Redevelopment Authority (“MCRDA”), the MFL is designed to spur economic development in the County by funding the growth and expansion of small businesses, attracting new businesses and industries, revitalizing our communities, and supporting our workforce with accessible housing opportunities.

Recognizing the changing nature of economic development and in line with the Commerce Department’s goals for economic impact, the MFL program provides funding in one of four ways for projects: Participation Loans, Sole Lender Loans, Agriculture Loans, and Housing Affordability Loans:

- Participation Loans – Borrowers working with a bank, credit union, and/or CDFI may apply for up to 50% of project costs (up to $1 million) for eligible costs described herein; these loans are designed to be similar to the U.S. SBA’s programs and Pennsylvania’s PIDA program, but with a more attractive lending rate.

- Sole-Lender Loans – Borrowers may apply for up to 80% of project costs (up to $500,000) for eligible project costs described herein; these loan applicants will need to meet higher equity, creditworthiness, and collateral standards.

- Agriculture Loans – Borrowers working with Agriculture lenders may apply for up to 50% of project costs (up to $1 million) for eligible project costs; these loans are designed to work with Agriculture lenders such that loan terms differ from other MFL categories.

- Housing Affordability Loans – Borrowers developing multi-tenant housing with an affordability component may apply for up to 50% of project costs (up to $1 million); these loan applications will be evaluated in partnership with the Montgomery County Office of Housing and Community Development and must meet that office’s standards for housing affordability.

In general, loan funds can be used to fund the following eligible costs as part of a project:

- Participation Loans and Sole-Lender Loans – Building or land acquisition, new construction, owner-occupied or leaseholder improvements, working capital, machinery & equipment purchases (excluding titled vehicles for road use).

- Agriculture Loans – Building or land acquisition, new construction of agriculture facilities (including indoor farming), working capital, machinery & equipment purchases.

- Housing Affordability Loans – Land acquisition and new construction of multi-tenant housing with an approved affordability component in alignment with the PHFA LIHTC Program, the Montgomery County Homes for All Initiative, and the standards of the Montgomery County Office of Housing and Community Development.

Projects must have a clear, positive economic impact on the County through job creation and/or retention, revitalization of key “Main Street” areas in a municipality, diversification of commercial offerings and services, and/or development of housing affordable to the workforce.
B. Program Administration

The MFL Programs is administered by the MCRDA on behalf of the Montgomery County Commerce Department. MFL Program funds are derived from Montgomery County and loans that have been repaid. All MFL Applications are reviewed by MCRDA staff and the MCRDA’s Loan Review Committee – members of which are appointed by the Board of Directors of the MCRDA and the County Commerce Department – and ultimately are considered for approval by the MCRDA Board. The submission of a MFL Application does not guarantee funding and the approval of a loan is subject to the availability of funds, underwriting review, and the economic and community impact of the project to be funded. These Program Guidelines do not constitute an offer to lend and the MCRDA and the County make no representations about the availability of funds. MCRDA and the County reserve the right to change, amend, or modify these Program Guidelines from time to time without further notice. Available rates and terms may be subject to change without further notice.

C. Economic and Community Impact Goal

The MFL program and all its eligible uses are focused on economic and community impact in line with County goals and in recognition of the evolving nature of modern economic, workforce, and community development principles. Applicants are expected to demonstrate and provide documentation of the anticipated economic and community impact of the project. Documentation required may include:

- Identify the number of jobs to be created and/or retained as part of the project along with the anticipated salary for those jobs and any job training/development programs.
- Identify the number of housing units to be created along with the average lease rates and income eligibility requirements.
- Identify the impact the project will have on the surrounding community.
- Letter of support from the municipality where the project is located.

D. Before Beginning a MontcoForward Loan Program Application

Any interested party in the MFL Program is encouraged to first thoroughly review the Program Guidelines, discuss their financial position with their bank, accountant, and/or other financial advisors, and most of all discuss the program and all of the project’s needs & impacts with the MCRDA and/or the Montgomery County Commerce Department. Additionally, potential applicants should ask themselves, at minimum, the following questions before preparing an application in order to ensure eligibility and readiness as an applicant:

- For Participation Loans and Sole Lender Loans
  - Can the business provide at least 3 years of taxes and other financial records upon request?
  - Are all of the individuals and entities with an ownership interest in the business (principals) prepared to guarantee the loan?
  - Is the business and are all guarantors current with all taxes?
  - Has the business, its principals, and/or any of the guarantors filed for bankruptcy in the past seven (7) years? Has the business, its principals, and/or any of the guarantors been discharged from bankruptcy in the past ten (10) years?
  - Does the business have or can it secure all of the required zoning and permitting documentation from the municipality where the project is located?

- For Agriculture Loans
  - Is the participating lender in the project comfortable with the MFL program guidelines and requirements? For Agriculture Loans it is recommended the participating Agriculture Lender contacts the MCRDA and/or the Commerce Department to discuss the project and prepare the application with the borrower.

- For Housing Affordability Loans
  - Does the proposed project already have or can it secure the required approvals from the municipality?
  - Has the project received a Letter of Support from the Montgomery County Office of Housing and Community Development? This is a requirement to receive MFL funding.
E. General Eligibility Requirements

Applicants must have a project solely located in the political boundaries of Montgomery County, Pennsylvania and that will have a positive economic and community impact, along with the following minimum criteria:

- For Participation Loans, Sole Lender Loans, and Housing Affordability Loans, an Applicant must be a duly formed and existing Corporation, Partnership, Limited Liability Company, Sole Proprietorship, or Not-For-Profit entity that has been in existence for such a time at least three (3) years of federal tax returns and financial records can be submitted as part of an application.

- For Participation Loans, an Applicant must have financing from a bank, credit union, or other regulated financial institution or a community development financial institution (CDFI), (together, Financial Institution) for the project and/or their own equity in the project, equal to at least 50% of the project cost. Applicants are encouraged to consult their Financial Institution(s) before submitting an MFL application to ensure the proposed loan is acceptable to the Financial Institution. For Participation Loans, it is recommended that the participating Financial Institution reach out to the MCRDA and/or Commerce Department to discuss the project in concert with the Applicant.

- For Agriculture Loans, an Applicant must have the participation of a lender with agricultural expertise/focus and that lender must be an active participant in the MFL application process; the MFL Loan Review Committee will accept the underwriting review of the other lender in an Agriculture Loan as part of the application.

- An Applicant must demonstrate that it has the capacity to repay all outstanding public and private debts while maintaining operations for the life of the loan.

- An Applicant may only receive one (1) loan per twelve-month period and one (1) loan for a particular project.\(^1\)

F. Eligible Uses of Funds

In general, MFL funds may be used for (but may not be limited to subject to review of the Loan Review Committee and approval of the MCRDA Board) the following referenced in Section A:

- Participation Loans and Sole-Lender Loans – Building or land acquisition, new construction, owner-occupied or leaseholder improvements, working capital (not to exceed the lesser amount of 10% of MFL funds borrowed or $100,000) and machinery & equipment purchases (excluding titled vehicles for road use).

- Agriculture Loans – Building or land acquisition, new construction of agriculture facilities (including indoor farming), working capital (not to exceed the lesser amount of 10% of MFL funds borrowed or $100,000) and machinery & equipment purchases.

- Housing Affordability Loans – Land acquisition and new construction of multi-tenant housing with an approved affordability component in alignment with the PHFA LIHTC Program, the Montgomery County Homes for All Initiative, and the standards of the Montgomery County Office of Housing and Community Development.

MFL funds may not be used for the following:

- Accounts receivable lines of credit or related costs.
- Refinancing any portion of a total project costs.
- Speculative commercial or industrial real estate development.
- Projects located outside the geographic boundaries of Montgomery County, Pennsylvania.
- Acquisition of a business or franchise, purchase of stock or other financial instrument, and/or investments.

\(^1\) While an Applicant may receive multiple loans for multiple projects so long as no two loans are within the same twelve-month period, in no circumstances may an Applicant receive multiple loans for the same project, even if such loan requests are more than twelve months apart, except by written exception of the MCRDA Board.
Any activities which are illegal under local, state, or federal law and/or are a potential disruption to public health, public welfare, and/or public safety (determined at the discretion of the Loan Review Committee, the MCRDA, and/or the County).

G. Loan Amounts

As noted in Section A, the general loan amounts for MFL are as follows:

- **Participation Loans** – Borrowers working with a bank, credit union, CDFI, or other regulated Financial Institution as defined in Section E may apply for up to 50% of project costs (up to $1 million) for eligible costs described herein; these loans are designed to be similar to the SBA’s programs and Pennsylvania’s PIDA program, but with a more attractive lending rate.

- **Sole-Lender Loans** – Borrowers may apply for up to 80% of project costs (up to $500,000) for eligible project costs described herein; these loan applicants will need to meet higher creditworthiness and collateral standards.

- **Agriculture Loans** – Borrowers working with Agriculture lenders may apply for up to 50% of project costs (up to $1 million) for eligible project costs; these loans are designed to work with Agriculture lenders such that loan terms differ from other MFL categories.

- **Housing Affordability Loans** – Borrowers developing multi-tenant housing with an affordability component may apply for up to 50% of project costs (up to $1 million); these loan applications will be evaluated in partnership with the Montgomery County Office of Housing and Community Development.

Applicants must demonstrate how MFL funds will be used as part of the total project costs and other funds (be it borrower equity or other participating lenders) will be utilized. At the discretion of the MCRDA Board, funding may be approved at an amount less than what is requested.

Loans above the maximum amount may be considered on a project-by-project basis at the discretion of the MCRDA Board (with additional conditions including but not limited to the availability of funds).

H. Interest Rates

The MFL Program is designed to provide loans at low interest rates fixed over the life of the loan. The available interest rates for MFL loans are set by the MCRDA based upon the prevailing interest rate of the Pennsylvania Industrial Development Authority (PIDA) loan program. The MFL Loan Review Committee may recommend a different rate to the MCRDA Board based upon its review of the loan application. Minimum MFL rates will be posted online and available to borrowers and participating lenders upon request. The MFL rates will generally follow these parameters:

- **Participation Loans** – Minimum rate will be 1% less than the publically advertised rate for the PIDA program at the time an application is approved by the MFL Loan Review Committee for final approval by the MCRDA Board of Directors.

- **Sole-Lender Loans** – Minimum rate will be .30% less than the publically advertised rate for the PIDA program at the time an application is approved by the MFL Loan Review Committee for final approval by the MCRDA Board of Directors.

- **Agriculture Loans** – Minimum rate will be .5% less than the publically advertised rate for the PIDA program at the time an application is approved by the MFL Loan Review Committee for final approval by the MCRDA Board of Directors.

- **Housing Affordability Loans** – Minimum rate will be .5% less than the publically advertised rate for the PIDA program at the time an application is approved by the MFL Loan Review Committee for final approval by the MCRDA Board of Directors.

2 PIDA interest rates are updated on a quarterly basis.
I. Terms

The term of each MFL loan will be determined on a project-by-project basis through the Loan Review Committee’s credit underwriting review, subject to the approval of the MCRDA Board. MCRDA may require that the term of the loan not exceed the term of any matching lending source with a lien senior to or shared with the MCRDA lien. In general, the following term lengths are standard practice, subject to the review of the Loan Review Committee and approval of the MCRDA:

- Loans used for land and/or building acquisition or for the renovation, expansion, or construction of a building may have a repayment term of up to fifteen (15) years or one hundred eighty (180) months. Agriculture Loans and Housing Affordability Loans may have a term of up to twenty (20) years or two hundred forty (240) months.

- Loans used for machinery and equipment acquisition may have a repayment term of up to ten (10) years or one hundred twenty (120) months; the term of the loan cannot exceed the useful life of the equipment being financed.

- For Participation Loans, Agriculture Loans, and Housing Affordability Loans, the MCRDA will match the terms of other lenders in the project subject to the underwriting review and recommendations of the Loan Review Committee; terms exceeding the above referenced parameters will trigger a higher than the minimum interest rate and may require additional collateral if approved for consideration for the MCRDA Board of Directors.

J. Collateral

The collateral required for the MFL loan will be evaluated on a project-by-project basis by the Loan Review Committee. In general, collateral requirements will be based on the funding amount requested, the overall creditworthiness of the Applicant and the project, the participation of other lenders, Applicant equity committed to the project, and other pertinent financial information. The following guidelines are generally applicable but are not exhaustive and are subject to the discretion of the MCRDA:

- In instances where there is participation from an additional lender for land or building acquisition, MFL funds can be in a subordinate lien position, but not less than a third lien position. All lenders in a project must enter into an inter-creditor agreement to protect the interest of all parties.

- If the MFL is the sole financing for property acquisition in the project, the MFL loan shall be secured by a first mortgage. The Loan Review Committee and the MCRDA may require additional collateral for projects in which MFL is the sole financing for a non-acquisition project (such as leaseholder improvements) and the property is already encumbered by a mortgage or unavailable due to a lease (unless that lease is held by an entity with ownership stakes or connections to the Applicant entity).

- Loans for machinery and equipment acquisition will be secured by no less than a sole second lien position on the equipment financed and may require additional pledged assets if in a subordinate lien position. The preferred position on all machinery and equipment acquisition MFL loans will be a sole first or a shared first lien position on the specific equipment being purchased with MFL loan funds.

- For Participation Loans, any person or entity having at least twenty percent (20%) ownership in the Applicant is required to guarantee the loan. If no Principal owns at least 20% of the Applicant, the Loan Review Committee and/or MCRDA may, at their sole discretion, request personal guarantees from others and/or additional collateral.

- For Sole Lender Loans and Agriculture Loans, all parties having an ownership interest are required to guarantee the loan.
K. Fees

MCRDA maintains a fee schedule for loan applications and its other services. The fee schedule is posted online and is available upon request. Fees may be subject to change from time to time without notice by MCRDA.

In addition to any fees due by an Applicant pursuant to the applicable fee schedule, the Applicant shall pay all costs related to the filing of documents for collateral, all costs related to due diligence and underwriting during the application review process, and/or out-of-pocket expenses of loan portfolio administration relating to the loan, including the fees and expenses of the MCRDA’s administrative, legal, and other professional costs, as well as any costs related to an Applicant disputing an Application in any capacity. The loan will not be disbursed until all outstanding fees have been paid to date. The loan will not be considered satisfied and liens on collateral and guarantees will not be released until such time as all fees and costs are paid in full.

L. Confidentiality

The parties (Applicant, Loan Review Committee, MCRDA, and County) agree that the information, documents, and instruments delivered to the County and/or MCRDA, including, without limitation, any application materials and all agreements and documents referenced herein or executed and delivered by the parties at closing, are of a confidential and proprietary nature (“Confidential Information”), with the exception of the “Non-Confidential Executive Summary.” Except as otherwise required under any legal requirements, the County, MCRDA, and Loan Review Committee will maintain the confidentiality of all Confidential Information delivered to it by the Applicant in connection with the Application and loan negotiation unless compelled to disclose by judicial, administrative, or canonical process (including, without limitation, in connection with obtaining governmental and regulatory approvals necessary to consummate the transactions contemplated hereby) or by other requirements of law, or disclosed in an action or proceeding brought by a party hereto in pursuit of its rights or in the exercise of its remedies hereunder.

The Pennsylvania Right-to-Know Law, 65 P.S. §§ 67.101-3104, (“RTKL”) applies to the MFL Loan. Upon receipt of a request for documents related to the loan application under the RTKL, the MCRDA or County will provide written notification to the Applicant. If an Applicant considers the requested information to include a request for Confidential Information or a trade secret, as those terms are defined by the RTKL, or other information that the Applicant considers exempt from production under the RTKL, the Applicant must notify the County and MCRDA and provide, within seven (7) calendar days of receiving the written notification, a written statement signed by a representative explaining why the requested material requires redaction or is entirely exempt from public disclosure under the RTKL. The County and MCRDA will rely upon the written statement from the Applicant in denying a RTKL request for the Requested Information unless the County and MCRDA determine that the requested information is clearly not protected from disclosure under the RTKL. The County and MCRDA may incur as a result of the Applicant’s failure, including any statutory damages assessed against the County and MCRDA, regardless of the outcome of such legal challenge and shall hold the County and MCRDA harmless for any damages, penalties, costs, detriment, or harm that the County and MCRDA may incur as a result of the Applicant’s failure, including any statutory damages assessed against the County and MCRDA, regardless of the outcome of such legal challenge. As between the parties, the Applicant agrees to waive all rights or remedies that may be available to it as a result of MCRDA and the County’s disclosure of requested information pursuant to the RTKL. The Applicant’s duties relating to the RTKL are continuing duties that survive the expiration of this Contract and shall continue as long as Applicant has requested information in its possession.

Additionally, as noted in a prior section, the Loan Review Committee and/or MCRDA may also utilize the services of a third-party credit analysis and underwriting provider during the application review process. The Applicant, Principals, and Guarantors accept this and the transmission of information to the third-party provider as a condition of submitting a MFL Application.
Section II – Application, Approval, and Closing Process

A. Process

The MFL Program process for an interested party, to applicant, to borrower, to satisfied loan is as follows:

1. Interested applicant reviews guidelines, discusses project with MCRDA and/or Commerce, and engages participating lender (when applicable) to determine project and applicant eligibility.

2. Eligible applicant submits MFL Program application with all required initial documentation.

3. LRC reviews application requests additional clarification and documentation as needed, and prepares a formal recommendation for the MCRDA Executive Director to proceed with application or reject.

4. MCRDA and/or Commerce staff make an initial review of application and may request additional clarification & documentation before presenting application to Loan Review Committee (LRC).

5. MCRDA Board of Directors review application with LRC recommendation for approval and may request additional documentation or clarification through the MCRDA Executive Director.

6. When/if all questions are addressed, MCRDA Board of Directors will schedule a public presentation and vote to approve the loan application.

7. Once loan funds are approved for release by the Montgomery County Board of Commissioners, the loan will proceed to closing.

8. Upon approval of the loan by the MCRDA Board of Directors, Borrower will be asked to attend a public meeting of the Montgomery County Board of Commissioners for their vote to release loan funds.

9. Borrower will make all required payments as well provide financial and other requested documentation annually until loan is paid in full.

The steps in the process in practice may deviate at the discretion of the LRC and/or the MCRDA. Submission of an application is not a guarantee of funding at any point in the process until the loan is closed. An application may be rejected or placed on hold by the MCRDA at any time.
B. Inquiries

Prospective Applicants are strongly encouraged to contact the MCRDA and/or Commerce Department to discuss the proposed project before beginning the MFL application process to determine whether the MFL is an appropriate funding source for the project. If other lenders are involved in the project they should also be a part of, if not the instigator, of the conversation to determine both applicant eligibility and project/use of funds eligibility.

Additionally, the Commerce Department may be able to provide additional assistance beyond the MFL Loan Program, including technical assistance, site selection, workforce development support, and connections to other County and State resources. Prospective Applicants are encouraged to contact the Commerce Department through its website to submit an inquiry into these programs.

C. Application Submission and Review

Application processing and review will be conducted by the MCRDA. Interested applicants should confirm with MCRDA or Commerce staff the latest guidelines and application format. Upon receipt of an MFL Application, the MCRDA will review the Application in accordance with these Guidelines to determine whether the Application, in the MCRDA’s sole discretion, meets the requirements herein. Upon completion of the initial staff review, should an application be properly prepared and both the project and applicant are eligible the MCRDA’s Loan Review Committee will then conduct its analysis of the application. The Loan Review Committee will provide the MCRDA’s Executive Director with its recommendation to either forward the application on the Board of Directors for approval or to reject the application in a timely manner for complete applications.

The MCRDA Board of Directors is not required to accept a recommendation for approval from the LRC. The Board of Directors has the discretion to also request additional documentation and/or clarifications before proceeding with a public vote to approve a loan application. Should an application be approved by the MCRDA Board of Directors the final step prior to closing is a public vote by the Montgomery County Board of Commissioners to release the loan funds.

To ensure an Application is reviewed in a timely manner, Applicants are encouraged to submit all required information in a single package. In the Appendix of the guidelines are a series of checklist of the initial application documents required for each type of MFL (Participation, Sole-Lender, Agriculture, Housing Affordability); additional documentation may be required and an applicant is responsible for submitting any additional documentation in a timely manner or the application will be rejected for non-responsiveness. Supplemental documentation may be required as a condition of Application review and/or loan closing, including but not limited to:

a) Judgment searches, including bankruptcy searches, for Applicant and all Guarantors;
b) State UCC-1 searches against Applicant if equipment is offered as loan collateral;
c) Property appraisal for any property being offered as loan collateral;
d) Proof of Commercial General Liability Insurance for all property related to the project;
e) Proof of Real Estate Hazard Insurance for all property related to the project;
f) Phase 1 Environmental Report for all property related to the project (if applicable);
g) Flood hazard determination for all property related to the project (if applicable); and
h) Consent from landlord/property owner if Applicant does not own the business location (if applicable).

Applicants may be responsible for any fees incurred by the MCRDA during the review of an application as noted prior.

As a reminder, the review process and the approval of applications is at the sole discretion of the MCRDA Board of Directors, its Executive Director, and its Loan Review Committee. Submission of an application is not a guarantee of funding.
D. Approval and Closing Process

If the MCRDA Board of Directors approves the Application\(^3\), the MCRDA will request release of funds from the County to fund the Loan. The Montgomery County Board of Commissioners must vote at a public meeting to release the funds; the applicant must make themselves available to attend the meeting and be prepared to discuss the project. Loan closing shall be contingent upon release of the funds by the County necessary to fund the Loan. MCRDA and the County shall have no liability to Applicant for County’s determination not to authorize release of funds for a particular Application.

Upon loan approval and execution by all documents required by MCRDA in relation to the loan, an Applicant becomes a Borrower. Prior to the loan closing, approved Applicants will be required to validate that all information provided in the Application is still correct (specifically as it relates to debts, creditors, and lien positions). If the Application was approved on a conditional basis, Applicants will be required to submit all information required as part of the conditional approval prior to the loan closing. If there is a change in the Application information or the Applicant does not submit all information required as part of a conditional approval, the MCRDA Board of Directors, in its sole and completion discretion, reserves the right to reject the Application. If the Application was approved on a conditional basis, the MCRDA Board of Directors also reserves the right to recalculate the interest rate based on terms and conditions from the companion lender.

The loan closing will be scheduled in coordination with MCRDA staff and the Borrower. Applicant must pay the required closing fee and any outstanding professional fees at the time of the loan closing. Failure to do so may result in a delay in loan closing or the rejection of the Application.

Following the loan closing, the MCRDA and County will work with the Borrower to notify the public as to the issuance of the loan.

E. Payment, Early Repayment, Limitations, and Penalties

Payments due and owing under the MFL shall be made by wire transfer to an account designated by MCRDA to the Borrower or at MCRDA’s sole discretion through automated clearing house (“ACH”) transfers from the Borrower’s designated operating account directly to MCRDA.

There is no penalty for early repayment. Borrowers who repay their loan prior to the end of the loan term are eligible to apply again for a MFL Loan thirty (30) days after loan satisfaction, provided that the repaid loan had not been originated within a year (twelve calendar months), in which case the Borrower will have to wait to apply for a new loan until such time as twelve months from the origination of the prepaid loan. All other Borrowers are eligible to apply again for a MFL loan sixty (60) days after loan satisfaction.

Default on a MFL Loan disqualifies the Applicant and all Guarantors from applying for additional MFL funding until such time as the delinquency is resolved and the loan returns to good standing for a period of at least twenty-four (24) months. Borrowers who are in a situation wherein they may or have defaulted on their MFL Loan must contact the MCRDA immediately to discuss the situation.

Borrowers must provide on an annual basis their tax returns, financials, and any other documentation as required in their MFL agreement. Borrowers must also ensure that MCRDA and/or Commerce staff can inspect any facilities and equipped purchased with MFL funds on 24 hours notice (if MFL is in default, notice shall not be required).

F. Disclaimers

Inquires about or submission of an application is not a guarantee of funding. Applications may be approved at less than the amount requested. The MCRDA Board of Directors, on the recommendation of the LRC, may approve a loan at an interest rate higher than the minimum interest rate and may also approve a loan outside the general parameters herein. Applications may be rejected at the discretion of the MCRDA Board of Directors and its Executive Director for non-responsiveness, ineligibility, lack of funds, or any other legal reason that constitutes the proper and ethical stewardship of public sector dollars.

\(^3\) Should an Applicant not be approved, they may reapply for a MFL Loan no earlier than one hundred eighty (180) days from the date the Applicant is informed of the rejection of its Application.
Appendix – MFL Program Initial Application Checklists

Note: In addition to completing the online MFL application form, applicants must submit, at minimum, all of the required documentation. Interested applicants should confirm the latest application format with MCRDA and/or Commerce staff before beginning an application. Additional documentation may be requested at any point in the review process and must be submitted in a timely manner. Initial application documentation should be submitted all at once as a series of .pdf documents clearly labeled as their purpose.
<table>
<thead>
<tr>
<th>Document</th>
<th>Format Required</th>
<th>Required at Time of Submission</th>
<th>Template Provided</th>
<th>Details</th>
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<tr>
<td>Copy or Photo of a Government Issued Photo Identification</td>
<td>.pdf or .jpeg</td>
<td>Yes</td>
<td>No</td>
<td>Must be of the individual submitting the application for the Applicant Entity</td>
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<td>Applicant Entity Ownership Chart</td>
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<td>Required template available on program website</td>
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<td>Multiple resumes should be combined into a single .pdf document</td>
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<td>Current Operating Structure/By-Laws for Applicant Entity</td>
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<td>Calendar Year 2022 Federal Taxes for Applicant Entity</td>
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<td>Applicant Entity Debt Schedule</td>
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<td>Current Year to Date Financial Statements for Applicant Entity</td>
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<td>No</td>
<td>Ex. Quickbooks P&amp;L, Cash Flow, and other financial documentation</td>
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<td>Accountant prepared financials recommended and preferred</td>
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<tr>
<td>Calendar Year 2020 Financial Statements for Applicant Entity</td>
<td>.pdf</td>
<td>Yes</td>
<td>No</td>
<td>Accountant prepared financials recommended and preferred</td>
</tr>
<tr>
<td>Project Fund Sources and Use of Funds Chart</td>
<td>.pdf</td>
<td>Yes</td>
<td>Yes</td>
<td>Required template available on program website</td>
</tr>
<tr>
<td>Project Cost Justification Documentation</td>
<td>.pdf</td>
<td>Yes</td>
<td>No</td>
<td>Ex. agreements of sale, leases, bids, and other appropriate documentation based on the requested use of MFL Program funding</td>
</tr>
<tr>
<td>Applicant Entity Customer and Vendor Chart</td>
<td>.pdf</td>
<td>Yes</td>
<td>Yes</td>
<td>Required template available on program website</td>
</tr>
<tr>
<td>Document</td>
<td>Format</td>
<td>Required at Time of Submission</td>
<td>Template Provided</td>
<td>Details</td>
</tr>
<tr>
<td>------------------------------------------------------------------------</td>
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<td>---------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Letter(s) from Participating Lender(s)</td>
<td>.pdf</td>
<td>See Details</td>
<td>No</td>
<td>Multiple letters should be combined into a single .pdf document; required for Participation, Agriculture, and Housing Affordability applications</td>
</tr>
<tr>
<td>Current Business Plan for Applicant Entity</td>
<td>.pdf</td>
<td>No</td>
<td>No</td>
<td>May be requested as part of the application review process. We recommend discussing your business plan with one of Pennsylvania's Small Business Development Centers (<a href="http://www.pasbdc.org">www.pasbdc.org</a>). Our team can connect you with a PA SBDC to start a conversation. Additional business counseling is also available through SCORE (<a href="http://www.score.org">www.score.org</a>).</td>
</tr>
<tr>
<td>Letter of Support from the Montgomery County Office of Housing &amp; Community Development</td>
<td>.pdf</td>
<td>See Details</td>
<td>No</td>
<td>Required only for Housing Affordability applications</td>
</tr>
<tr>
<td>Montgomery County Office of Housing &amp; Community Development Project Checklist</td>
<td>.pdf</td>
<td>See Details</td>
<td>Yes</td>
<td>Required only for Housing Affordability applications; required template available on program website</td>
</tr>
<tr>
<td>Title report(s) for any real estate to be purchased and/or being used as collateral as part of project</td>
<td>.pdf</td>
<td>No</td>
<td>No</td>
<td>May be requested as part of the application review process if determined to be germane</td>
</tr>
<tr>
<td>Appraisal for any property being financed with MFL funds and/or any property being utilized as collateral for the proposed project</td>
<td>.pdf</td>
<td>No</td>
<td>No</td>
<td>May be requested as part of the application review process if determined to be germane</td>
</tr>
<tr>
<td>Permits and/or Business Licenses for the Project Location for any current and/or planned operations at the site</td>
<td>.pdf</td>
<td>No</td>
<td>No</td>
<td>May be requested as part of the application review process if determined to be germane</td>
</tr>
<tr>
<td>Letter of Support for the project from the municipality were the project is located</td>
<td>.pdf</td>
<td>No</td>
<td>No</td>
<td>May be requested as part of the application review process if determined to be germane</td>
</tr>
<tr>
<td>Current Credit Report for each potential guarantor</td>
<td>.pdf</td>
<td>No</td>
<td>No</td>
<td>May be requested as part of the application review process if determined to be germane</td>
</tr>
</tbody>
</table>