



AMPP LOAN APPLICATION PACKET ALABAMA MEAT PROCESSING PROGRAM

1. Application Packet

Be sure to complete and submit all the required materials that are requested in the Application Packet. Failure to do so will result in delay in processing your application until it is complete.

2. Nonrefundable application fee

Submit a check payable to "Alabama Agricultural Development Authority" for \$150.00 with your application to cover credit reports. Failure to attach a check with your Application Packet will result in delay in processing your application.

3. Filing

All required information, materials and check must be filed with:

Alabama Agricultural Development Authority
ATTN: AMPP LOAN OFFICER
1445 Federal Drive
Montgomery, AL 36107

If you have any questions while completing this application, please contact us at:

Phone: 334-240-7246

Email: mpilp@agi.alabama.gov

ALABAMA AGRICULTURAL DEVELOPMENT AUTHORITY
AMPP LOAN PROGRAM
APPLICATION FOR FINANCIAL ASSISTANCE

(This application must be filled out completely before your application will be accepted.)

1. Applicant Name: _____
 Street Address: _____
 City, State, Zip: _____
 Home Telephone: _____
 Cell Phone: _____
 Email: _____
 Business Federal Tax ID: _____
 Social Security Number: _____

2. The following person(s) is/are authorized to negotiate loan terms and conditions and is/are authorized to provide additional information in connection with this application, which may be required by AADA.

Name	Name
Position	Position
Address	Address
City, State, Zip	City, State, Zip
Telephone/ Cell	Telephone/ Cell
Email Address	Email Address

3. Business Structure:
- a. Sole Proprietorship
 - b. Partnership
 - c. Corporation
 - d. Limited Liability Company
 - e. Non-Profit
 - f. Other
 - g. **New** Business

4. If Incorporated, please attach copies of the following documents:
- a. Articles of Incorporation ____ _
 - b. Bylaws _____
 - c. Operating Agreement ____ _

Subsidiaries and Affiliates: List the name and address of all related parties that are subsidiaries, parent organizations, or affiliates of the applicant including entities in which the applicant holds a controlling but not necessarily a majority interest. Attach organization charts or other information to explain related parties as needed.

5. Bankruptcy: Has the applicant, its parent or subsidiary ever filed for bankruptcy or been subject to a court supervised insolvency proceeding (i.e., composition, receivership)? Yes ____ No ____.
Details must be provided in an attached letter.

6. Total cost of the Project \$ _____

7. Amount of Loan requested \$ _____

8. Project Description. Generally describe the project, giving purpose of the loan. Supply any information (not specifically requested in this application) you feel is necessary to an understanding of the project. Attach an additional sheet, if necessary.

9. Has the project for which you are applying for financial assistance been denied such assistance in the past by any party? Yes ____ No ____

If Yes, please provide the following information concerning that denial:

Date of Denial _____

Lender Name _____

Reason for denial

10. Please describe your preferred schedule of repayment.

11. Project Description: please briefly address the following in describing the project for which you are requesting financial assistance:

a. Location of Project (Address, City, County) _____

b. Project Budget - Detail the total cost or budget of the project, including working capital and fixed assets (submit as attachment if necessary). The budget should attempt to identify all sources of funding being considered including owner equity/investment, your primary lender as well as the MPILP Program and other financial assistance. Please be as detailed as possible.

Use of Funds Activity	Cost	Lender (Bank)	AMPP Loan Program	Owner Equity/ Investment	Other
Land Purchase	I S	IS	IS	IS	IS
Building Purchase	\$	\$	\$	\$	\$
Building Construction	\$	\$	\$	\$	\$
Building Remodeling	\$	\$	\$	\$	\$
Machinery & Equipment	\$	\$	\$	\$	\$
Inventory	\$	\$	\$	\$	\$
Working Capital	\$	\$	\$	\$	\$
	IS	IS	IS	IS	IS
	IS	IS	IS	IS	IS
	IS	IS	IS	IS	IS
Total Funds Requested	Is	Is	Is	Is	Is

c. What other financial or technical resources are committed for the project? Will financial assistance from AADA play a role in leveraging additional resources? Identify these resources and their dollar value.

12. Summary of Collateral Offered: Provide a detailed description, including value, of all assets being offered as collateral. (Note: Loans must be secured. An appraisal will be required.)

13. List all individuals that will be guaranteeing the loan- Financial statements and tax returns must be submitted for all guarantors.

14. Job Creation/Retention: For purposes of this form, the following are considered to be minority persons: Blacks, Hispanics, Asians, Pacific Islanders, American Indian/Alaskan Natives.

Present Employees (if now in operation)

	Total		Minority
Sex		Sex	
Female		Female	
Male		Male	
Total		Total	

Twelve (12) months after Loan Disbursement

	Total		Minority
Sex		Sex	
Female		Female	
Male		Male	
Total		Total	

Twenty-four (24) months after Loan Disbursement

	Total		Minority
Sex		Sex	
Female		Female	
Male		Male	
Total		Total	

List average wage per job created or saved: \$__ per hour

15. Organizational information. If incorporated, as part of this application, please provide the following information. Answers should be brief. Describe your organization's:

a. Principal activities and services.

b. Your customers and suppliers.

c. Initial date of organization: _____

16. Describe the management structure of your organization, and the experience and background of your board members (submit as an attachment if necessary).

17. Financial Information. As a part of this application, please submit the following financial information:

- a. If audited, a copy of audited financials for the past three years.
- b. If audited financials are not available - submit Balance Sheets, Income and Expense Statement and Cash flow Statements as of the close of each fiscal year for the last three years.
- c. Balance Sheet, Income and Expense and Cash flow Statements for the current year to date.
- d. Aging of Accounts Receivable and Payables, composition of inventory and assets if not detailed in the audit reports - for each period of the financial statements.
- e. Three years of projected income and expense, cash flow, and balance sheet statements for the new project.
- f. Individual Federal Tax Returns of Principal Owner(s) (Past 3 years)
- g. Personal Financial Statement of Principal Owner (s) (Most recent period.)
- h. Business Federal Tax Returns (Past 3 years)

18. USDA-RD Agency Environmental checklist must be completed.

19. By signing this application, I certify that I do not hold a top four market share in beef, pork, chicken, or turkey processing.

Signature of Authorized Applicant

Printed Name of Authorized Applicant

Date of Application

**ALABAMA AGRICULTURAL DEVELOPMENT AUTHORITY
AMPP LOAN PROGRAM
APPLICATION FOR FINANCIAL ASSISTANCE**

The information requested below is voluntary and for monitoring purposes only.

Applicants gender: Male
 Female

Applicants Ethnicity: Hispanic or Latino
 Not Hispanic or Latino

Applicants Race (check all that apply)
 American Indian or Alaska Native
 Asian
 Black or African American
 White
 Native Hawaiian or Other Pacific Islander

Is Applicant a veteran? Yes No

ALABAMA AGRICULTURAL DEVELOPMENT AUTHORITY
AMPP LOAN PROGRAM
THE PROCESS

- Interested parties will be required to complete a full application with all required materials and submit payment for a nonrefundable application fee.
- Loan applications will be available from, and submitted to, the office of AADA who will ensure that applications are complete.
- A field inspection of the proposed project will be conducted at various times determined by AADA.
- A thorough test of creditworthiness will be performed on each project to include, but not limited to: (1) the ability or proceeds generated by the project to produce sufficient cash flow to service the debt, (2) an analysis of secondary loan servicing cash flow, and (3) value of project itself. Appraisals will be required from the applicant as part of this process.
- Environmental assessments (if applicable) will be required according to USDA guidelines.
- All applicants must certify that they will comply with all existing building codes, including requirements for seismic safety of new construction (if applicable).
- AADA's Executive Director will present the completed loan application to the board for approval.
- If the AMPP loan is denied, the applicant will be notified immediately by the Executive Director or Loan Officer and given the opportunity to review concerns raised by the Board.
- If the AMPP loan is approved, AADA will notify USDA and transmit the packet as required for USDA approval; receive written concurrence from USDA for the proposed use of the funds; notify the attorney that loan closing documents should be prepared; notify all parties of closing date and time; and, distribute and retain closing documents as required. The closing of all loans involving real estate will be conducted by AADA's real estate attorney.
- AADA will service the loan after closing and will maintain the official case file. AADA will be responsible for ensuring that all regulations and USDA procedures are complied with on all MPILP loans.
- Borrowers will be required to comply with all AADA conditions and requirements as well as USDA regulations involved with the MPILP loan program.

**ALABAMA AGRICULTURAL DEVELOPMENT AUTHORITY
MPILP LOAN PROGRAM
GUIDELINES**

- Eligible uses of funds include:
 - o Purchase and development of land, building or infrastructure for public or private enterprises or industrial properties.
 - o Leasehold improvements.
 - o Constructing or equipping facilities for lease to public or private enterprises.
 - o Purchase of machinery and equipment
 - o Debt refinancing
 - o Feasibility studies
 - o Pollution control and abatement as related to transportation, waste management and other activities related to otherwise eligible projects.

- Loan terms are available up to 30 years for real estate and up to 15 years for equipment. The terms available on each request will be determined by AADA considering the request and useful life of the proposed collateral.

- Loan interest rate is 4%.

- Principals and businesses must be creditworthy and demonstrate sufficient cash flow to repay the debt in accordance with the amortization schedule.

- Loan covenant requirements are as follows:
 - o Minimum Debt Service Coverage of 110%;
 - o Debt to Asset Ratio not more than 1:1;
 - o Loan to Value will not exceed 80%.

- Principals of the funded entity must furnish personal guarantees.

- Hazard and "key man" insurance (if applicable) naming the AADA as loss payee is required.

- Borrower is responsible for all legal and closing costs associated with the loan.

- Borrower must pay a one-time processing fee of $\frac{1}{4}$ of 1% (.0025) of the loan amount due at the time of loan closing.

- At the time of submitting an application, Borrower must submit a check for \$150.00 to be applied toward the costs of personal and business credit reports.

- Collateral requirements: Loan to value of not more than 80% is required.
- Promissory Note and personal guarantees will be required.
- Project applicants, including immediate family members, must have no legal or financial interest or influence in the AADA.
- The loan applicant will be required to submit semi-annual financial reports as well as annual financial reports and tax returns as determined by AADA.