



**COLLATERAL SUPPORT PROGRAM  
APPLICATION**

**Lender Information**

Lender Name: \_\_\_\_\_ EIN#: \_\_\_\_\_

Contact Person: \_\_\_\_\_

Branch Address: \_\_\_\_\_

Telephone: \_\_\_\_\_ Fax: \_\_\_\_\_

Email: \_\_\_\_\_

**Borrower Information**

Borrower Name: \_\_\_\_\_

State of Organization: \_\_\_\_\_

Operating Entity (if different than borrower): \_\_\_\_\_

Minority or Women Owned Business:  Yes  No

Borrower Address: \_\_\_\_\_  
(Must be a physical street address)

City: \_\_\_\_\_ State: \_\_\_\_\_ County: \_\_\_\_\_ Zip: \_\_\_\_\_

Lender's Loan Number: \_\_\_\_\_

Business Description: \_\_\_\_\_

Year Incorporated or Organized: \_\_\_\_\_ 6 digit NAICS#: \_\_\_\_\_

Annual Revenue Last Fiscal Year: \_\_\_\_\_

Current Employment:

Full Time \_\_\_\_\_

Part Time \_\_\_\_\_

Estimated number of Jobs

Created with this Loan:

Retained with this Loan:

Full Time \_\_\_\_\_

Full Time \_\_\_\_\_

Part Time \_\_\_\_\_

Part Time \_\_\_\_\_

Estimated Annual Wage of New Jobs:

Full Time \_\_\_\_\_

Part Time \_\_\_\_\_

Loan Amount: \$ \_\_\_\_\_

Loan Purpose: \_\_\_\_\_

Loan Maturity: \_\_\_\_\_

Portion of Loan Amount that is to be Funded by Lender: \$ \_\_\_\_\_

Portion of Loan Amount that is to be Funded by Other Sources: \$ \_\_\_\_\_

Identify source(s) \_\_\_\_\_

Amount of Collateral Deposit required for Lender to Make Loan: \$ \_\_\_\_\_

Amount of additional private financing that is caused by or resulting from the initial loan on

which the collateral deposit support account is established: \$ \_\_\_\_\_

**Authorization**

This signature serves as initial representation that this loan meets all requirements as set forth in the Lender Participation Agreement and the Collateral Deposit Agreement.

Lender Signature: \_\_\_\_\_

Name: \_\_\_\_\_ Title: \_\_\_\_\_

Date: \_\_\_\_\_

**COLLATERAL SUPPORT PROGRAM  
APPLICATION  
DEFINITION OF TERMS AND EXAMPLES**

### **Minority or Women Owned Business**

A “Minority or Women Owned Business Enterprise” means an Idaho Business Enterprise **more than fifty percent (50%)** of which is owned by women and/or persons who are members of a minority group. For purposes of this definition, minority group members are African/Black Americans, Hispanic-Americans, Asian-Americans, American Indians/Native Americans, American Eskimos and American Aleuts.

### **Estimated number of Jobs to be Retained or Created with this loan**

Some thoughts to consider when estimating the number of “Jobs Created” or “Jobs Retained” with this loan:

If the loan under consideration is going to ultimately result in jobs being retained by the business, what is the actual number of jobs expected to be retained because of the loan being granted? This will not necessarily be all of the jobs employed by the business.

**An example:** A medical practice is securing a loan to allow them to move from a leased space into a building they are purchasing. If the medical practice were unable to secure the loan to purchase the building and the landlord was unwilling to renew their lease, it may force the practice to merge with another practice or consolidate with a local or regional hospital. In this scenario, the jobs “at risk” could be the employees providing administrative support or nursing services that may not be needed if the medical practice was forced to merge with another business (jobs where there would be an overlap or duplication of services). Therefore, the jobs that would be retained because of the loan being granted to purchase a medical office building may be those providing administrative support and nursing services for the medical practice.

The **estimated number of jobs retained** will **rarely** be the total number of FTE employed by a small business. The retention of a company’s entire FTE will only be in circumstances where the business would end up closing their doors entirely if it weren’t for the loan being granted by the Lending Institution with the collateral deposit account offered through the CSP program.

If a business is obtaining a loan to construct a new building, which will ultimately allow the business to grow and expand, what are the **estimated jobs that the business plans on creating** to support this growth and expansion?

**An example:** A manufacturing company that is currently operating out of a 25,000 SF facility is looking to build a new manufacturing plant. In the current facility, the corporation cannot take on any additional orders as they are operating at capacity in their current space. They secure financing with a participating Lending Institution who

requires a collateral deposit account from IHFA through the CSP program to construct a new manufacturing building 50,000 SF in size. This will allow them to increase their output by an additional 35 – 40% over the next couple of years. The estimated jobs that will be created by this loan are those jobs that will be necessary to support the increased production once the business moves into the new facility.

**Amount of additional private financing that is caused by or resulting from the initial loan on which the collateral deposit support account is established**

Some examples of “Additional Private Financing” occurring because of the loan granted with the assistance of the CSP collateral deposit account:

As part of a financing package, the Lending Institution is considering granting a revolving line of credit of \$250,000 and a term equipment loan of \$150,000. The CSP support (collateral deposit account) is required in order to grant the term equipment loan. If the Lending Institution is considering granting both loans, with one contingent upon the approval of the other, and the CSP support is necessary in order to grant the term equipment loan, then the additional financing that occurred because of the CSP program in this example would be the amount of the revolving line of credit; \$250,000.

As part of a 504 loan package, the Lending Institution is considering granting a revolving line of credit in the amount of \$150,000 in conjunction with the project interim construction financing of \$900,000. In underwriting the revolving line of credit (which will be secured by A/Rs and inventory), the Lending Institution ascertains that additional collateral is necessary in the form of a collateral deposit account through the CSP program in order to grant the loan. Furthermore, in order for the Lender to provide the 504 financing, they are requiring the business to take out the revolving line of credit to be available to assist the business with short term working capital (due to the business’ deterioration in liquidity from the \$100,000 cash injection required for the 504 project). In this example, the additional financing that occurred because of the CSP program is the interim financing on the 504 project; \$900,000.

An Idaho small business has submitted a financing package for the construction of a new building along with a request for a loan to purchase equipment necessary for the business to operate once the new building is completed and ready for occupancy. The construction and long term financing for the real estate is being underwritten as conventional real estate financing in the amount of \$1,500,000. Due to the substantial amount of equity/cash required for the conventional real estate financing, the company is only able to inject 10% into the purchase of the equipment. The Lending Institution has submitted a CSP application requesting 15%, \$67,500, of the equipment loan in a collateral deposit account as additional collateral support. In this example, since the equipment loan is necessary for the small business to operate once they move into the new facility, and both loans are necessary for the feasibility of the project, the additional private financing that occurred because of the assistance of the CSP program is the amount of the conventional real estate loan; \$1,500,000.