

CLF Loan Criteria & Process

Fair Lending Policy: The Contractor Loan Fund is an equal opportunity lender, considering loan applications without regard to national origin, religion, age, marital status, disability, receipt of public assistance, or other factors. Underwriting standards will be applied fairly and consistently permitting access to credit for a broad range of customers and the loan committee will make eligibility determinations on a case by case basis for applicants with a history of bankruptcy or other derogatory credit history, or prior negative legal actions.

Eligibility Requirements:

- The company must be a City of St. Louis certified M/WBE. If you are not, you can apply online at <http://www.mwdbe.org/>. Click on the Register and Apply Online link on the left side of the home page.
- The borrower's primary place of business must be located in the St. Louis MSA.
- The loan proceeds must benefit economic activity in the St. Louis MSA
- The borrower and business must meet the underwriting criteria
- During the loan application process the applicant's business will be evaluated to determine if business assistance would be helpful to insure loan repayment. If it is determined that such assistance is required, the borrower must agree to participate as a condition to receive a CLF loan.

Company Structure: CLF borrowers may be new or existing for-profit corporations, partnerships, and / or sole proprietorships engaged in the general construction industry.

Underwriting Criteria: Loan decisions will be primarily based on the owner's personal credit and employment history. The ability of the applicant to repay the loan, employment history, credit history, and assets will be evaluated.

Use of Loan Proceeds: CLF loan funds may be used for the following purposes:

- To fund working capital for to expand the core capacity of the company
- To support awarded business contracts
- To finance the purchase of fixed assets used in the ordinary course of business, including the renovation or expansion of facilities
- To provide financing for the costs of training, licensing, marketing and professional fees necessary to establish, build and manage the business
- Other costs approved in the loan approval process

Borrowing Limits: The maximum loan commitment to any borrower, or borrowers related by common ownership, may not exceed \$1,000,000 at any time, unless approved by the Board of Directors.

Loan Approval Authority: The CLF Board of Directors establishes lending authority. Loan commitments of \$100,000 or less may be approved by the Loan Service Provider. Loan commitments in excess of \$100,000 are approved by the CLF loan committee. All loan

commitments in excess of \$500,000 also must be approved by the CLF Executive Committee. All loan approvals will be ratified by the board of directors at its regularly scheduled meetings.

Applications: An applicant must first submit a Pre-Application to determine eligibility. The Pre-Application can be found on the “APPLY” page of the CLF website (www.clfstl.org). After submission, CLF representatives will review it and determine if the applicant is eligible. If the applicant is eligible, the Pre-Application will be forwarded to one of three Loan Service Providers (LSPs), who will contact you directly to complete a Loan Application. The LSPs are:

- justine PETERSEN (for loans less than \$100,000)
- Eagle Bank and Trust (for loans greater than \$100,000)
- Midland States Bank (for loans greater than \$100,000)

Confidentiality: All information submitted to the CLF is confidential and will be held in strict confidence.