

# *CLIMB* Fund

Lending for Opportunity



## SMALL BUSINESS APPLICATION WORKSHOP



# **CLIMB Fund**

Lending for Opportunity



**CLIMB FUND IS A NOT-FOR-PROFIT THAT ADVANCES ECONOMIC OPPORTUNITY BY PROVIDING FINANCIAL ASSISTANCE, BUSINESS EDUCATION, AND DEVELOPMENTAL SERVICES TO FOSTER AND SUPPORT THE CREATION, EXPANSION, AND RETENTION OF BUSINESSES AND INDUSTRY; INCREASING EMPLOYMENT; AND STIMULATING DEVELOPMENT**



## MISSION DRIVEN LENDER

### MISSION:

- CREATE ACCESS TO CAPITAL FOR SMALL BUSINESSES THAT CANNOT SECURE TRADITIONAL FINANCING

### GOALS:

- IMPROVED ECONOMIC OPPORTUNITY, ECONOMIC JUSTICE, AND JOB CREATION

### SERVICE AREA:

- ENTIRE STATE OF SOUTH CAROLINA

### STRUCTURE:

- 501(C)(3) NON-PROFIT
- State & Federally certified Community Development Finance Institution (CDFI)



SILVER CONVENIENCE STORE, MANNING, SC

Verde, Charleston, Mt. Pleasant, & Columbia, SC



## HISTORY OF SUCCESS

### FOUNDING:

- Began in **1979** as Charleston Citywide Local Development Corporation (Charleston LDC)
- Became CLIMB Fund in July **2021**

### LENDING HISTORY (AS OF END OF YEAR 2023):

- **838+** loans made over 42 years
- **\$44.1+ Million** dollars lent

### CLIENT SUCCESS:

- **2,555+** JOBS CREATED
- **98%** successfully repay their loans



BKEDSHOP, CHARLESTON & SUMMERVILLE, SC



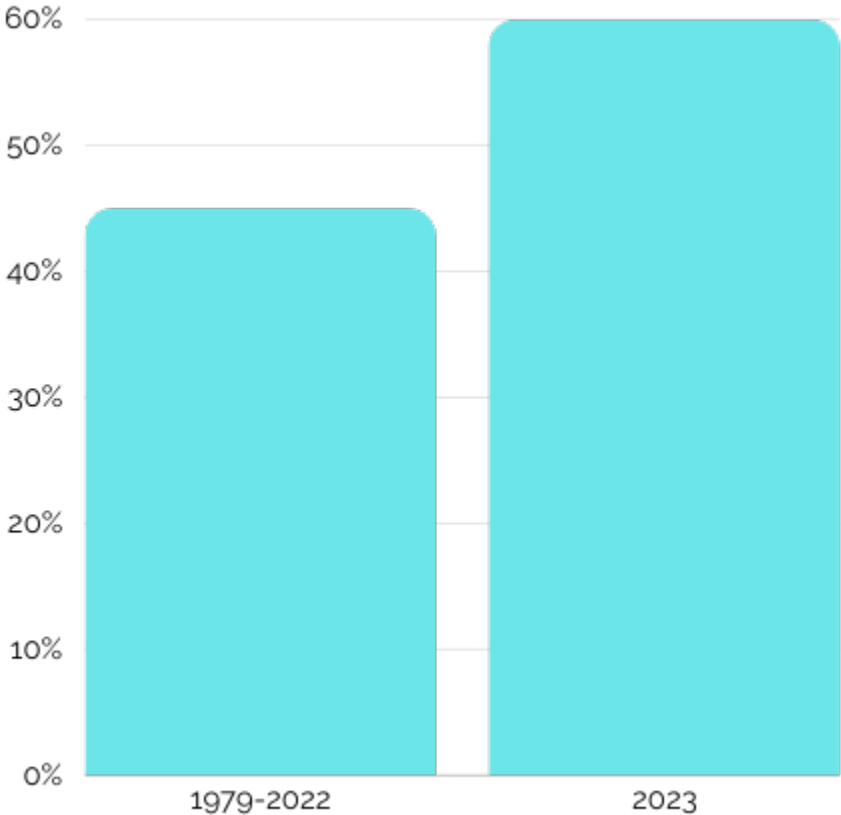
TOO GOOD FOODS CATERING & BISTRO,  
HOLLYWOOD, SC



ASHMORE VENDING SERVICES, SPARTANBURG, SC

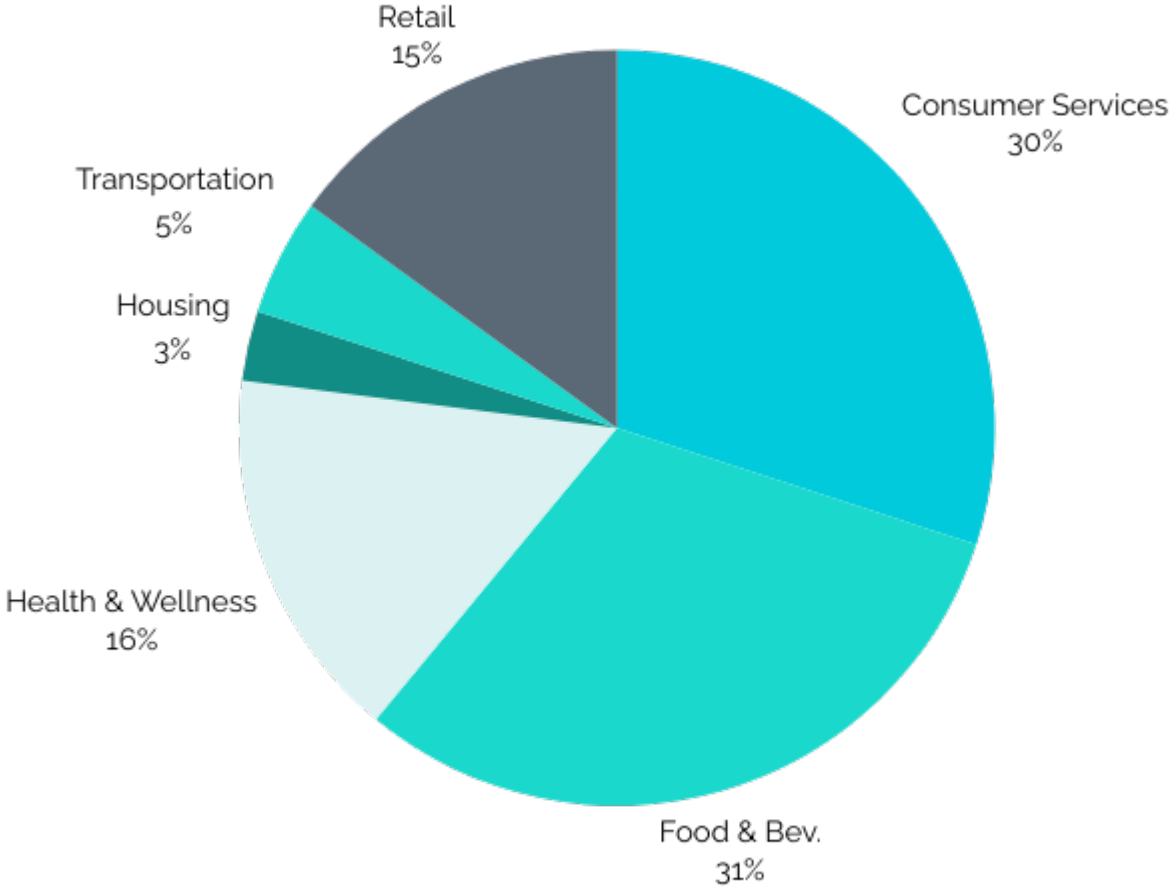
# OUR BORROWERS

% of CLIMB Fund Lending to BIPOC Owned Businesses



\*SC BIPOC Business Ownership Rate = 17%

## Borrower Industries



TRADESMAN BREWING CO., CHARLESTON, SC

Full Circle Fitness, Summerville, SC



## SUMMARY

### LENDING DETAILS:

- AVERAGE LOAN SIZE ~ **\$47,000**
- **No** Minimum, **No** Maximum
- Interest rates average ~ **7.75%-9.00%**
- **\$125** application fee



BLANCHE DARBY FLORIST, MT. PLEASANT, SC

### REFERRAL SOURCES:

- BANKS/CREDIT UNIONS
- Small Business Development Centers (SBDC's)
- Women's Business Centers (WBC's)
- Accelerators/Incubators
- SCORE & other small business support services
- YOU!

### HOW TO APPLY:

- PROOF OF DECLINATION OF CREDIT (OR OTHER COMMUNICATION FROM A BANK)
- Business plan (assistance from referral partners)
- Application at [www.CLIMBFund.org/apply](http://www.CLIMBFund.org/apply)
- 

### LENDING CONSIDERATIONS:

#### CHARACTER, CAPACITY, COLLATERAL, CONDITIONS, CREDIT

- More than just a number. Flexible & subjective lending decisions on a case-by-case basis

## SMALL BUSINESS FUNDING

### WHERE DO YOU GO?

- Grants
- Individual investors
- Online lenders
- Non-bank financing



## SMALL BUSINESS INVESTORS

- Family & Friends
  - Make it official!
- Venture Capitalists
- Angel Investors
  - Debt
  - Equity



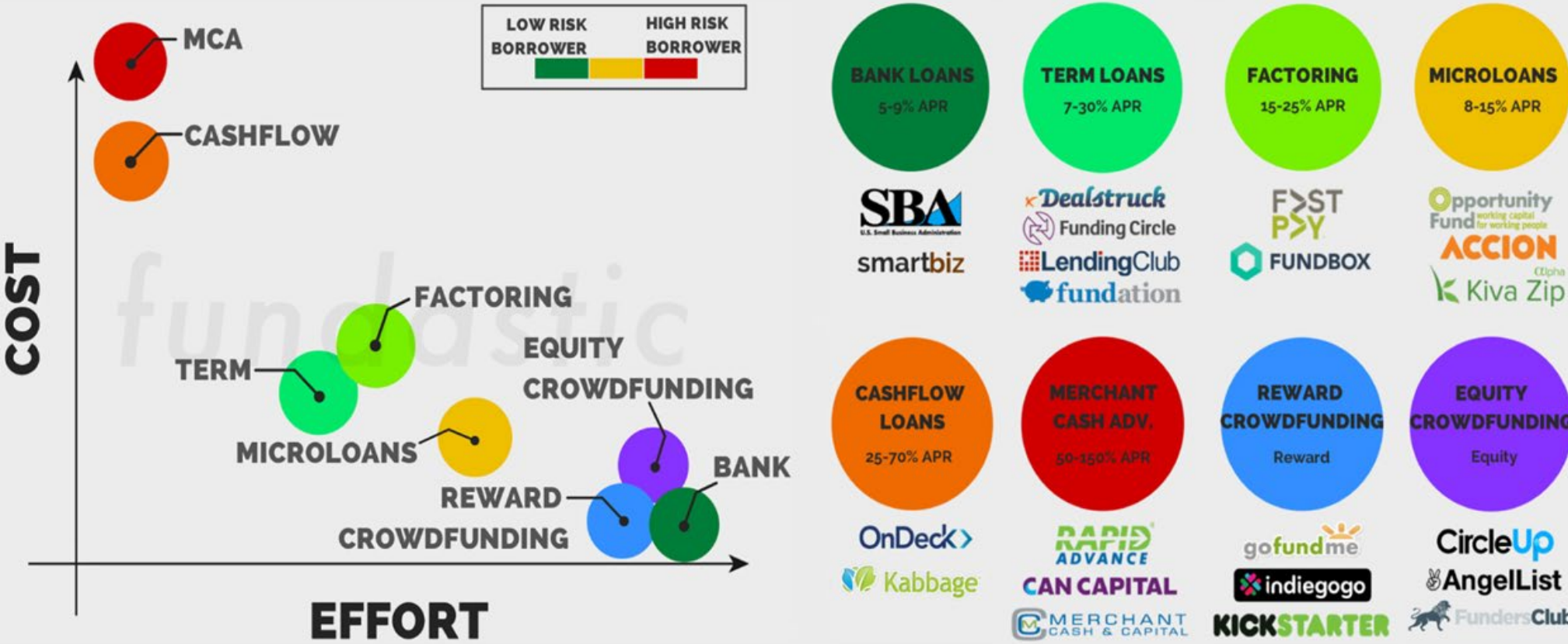


## ONLINE SMALL BUSINESS LENDERS

- On Deck
- Kabbage
- Lending Club
- Prosper
- Square Capital
- & more popping up every day!



# BUSINESS FINANCING 101



<b>BANK LOANS</b> 5-9% APR	<b>TERM LOANS</b> 7-30% APR	<b>FACTORING</b> 15-25% APR	<b>MICROLOANS</b> 8-15% APR
SBA U.S. Small Business Administration smartbiz	Dealstruck Funding Circle LendingClub foundation	F>ST P>Y FUNDBOX	Opportunity Fund for working people ACCION Kiva Zip
<b>CASHFLOW LOANS</b> 25-70% APR	<b>MERCHANT CASH ADV.</b> 50-150% APR	<b>REWARD CROWDFUNDING</b> Reward	<b>EQUITY CROWDFUNDING</b> Equity
OnDeck Kabbage	RAPID ADVANCE CAN CAPITAL MERCHANT CASH & CAPITAL	go fund me indiegogo KICKSTARTER	CircleUp AngelList Funders Club

## OTHER FINANCING OPTIONS

- Crowd Funding (sourcing, financing)
  - Kickstarter
  - ArtistShare
  - Funding Circle
  - GoFundMe
  - Funding4Learning
  - Fondomat
  - RocketHub
  - IndieGoGo
  - Sponsume

# *CLIMB* Fund

Lending for Opportunity

LET'S START CLIMBING!

All the details you need to apply for a CLIMB Fund loan



All CLIMB Fund Clients have been declined by a traditional lender.  
(but it doesn't have to be formal)

## PRE-APPLICATION

- Have you been declined by a traditional financing institution?
- Have you reviewed our application checklist?
  - available at: [www.CLIMBFund.org/apply](http://www.CLIMBFund.org/apply)
- Have you spoken with our lending team, watched and/or attended and application workshop?
  - recorded version available

### Small Business Loan Application Checklist

A complete business plan which includes:

- A summary description of the business (or startup)
- The uses of loan proceeds and the expected benefits of the loan
- A description of the company's products or services, its customers, its competition, its marketing strategy, etc.
- Resumes and /or a list of qualifications of all owners and management
- Information concerning the company's workforce and staffing during hours of operation and projected growth (if any)
- A description of the company's physical location or location desires (supply current lease or LOI if obtainable)
- Projected income and cash flow for the next three years; spread monthly for the first year and annually for years two and three
- If a startup, please include a startup balance sheet showing the proposed distribution of assets, liabilities and equity.
- If an existing business, please provide federal tax returns for the past two (2) years, and current financial statements (within 45 days)

Personal financial statements, proof of YTD personal income and federal tax returns for the past 2 years for all owners of 20% +

A summary of the amount that is being requested and the uses of proceeds with corresponding proof (estimates on letterhead, quotes, pricelist, etc.)

Proof of US Citizenship or Lawful Permanent Residency for each business owner

Proof of the business location in CLIMB Fund's lending area (South Carolina)

Copies of the company's articles of incorporation, agreements, pertinent legal agreements (if any)

Evidence from a commercial lender declining this request

A completed CLIMB Fund application & disclosures (downloadable at [info@climbfund.org](mailto:info@climbfund.org))

Program participation fee

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## THE BUSINESS PLAN

- Should give the lender:
  - Clarity of thought and purpose
    - What exactly is your business?  
Why do people need it?
  - Explains business model
    - How will it perform? Lines of business?
    - Will it grow?



## THE BUSINESS PLAN

- Should give the lender:
  - Qualifications of the company's team
    - Owners & key employees
    - Outside partners (CPA, Advisors, etc.)
  - Analyzes market and competition
    - Can people get your product/service elsewhere?
    - Why get it from you?
    - SWOT

## THE BUSINESS PLAN

- Should give the lender:
  - \$\$ Exact funding needs & why
    - With these funds, the business will....
  - States operating & financial plans
    - The \$\$\$ numbers \$\$\$!
      - Balance Sheet
      - Profit & Loss
      - Cash Flow Statement
      - SalesProjections

## KEY DECIDING FACTORS

- **Character**
- Capacity
- Collateral
- Capital
- Condition



## CHARACTER

- Willingness to repay
  - The credit report
  - [www.annualcreditreport.com](http://www.annualcreditreport.com)
- Qualifications of the company's team & outside partners (e.g. CPA, Advisors)
- Owner(s)' Finances
  - Federal tax returns (2 years)
  - Current personal financial statement
  - Debt: income < 40%
  - Current debt & timing (prudent spending)

## APPLICATION CHECKLIST

- For Each owners 20% +
  - Professional history or Résumés
  - Federal tax returns for the past 2 years – with schedules
  - Proof of current income
  - Current **Personal Financial Statement**



# PERSONAL FINANCIAL STATEMENT

Assets:		Liabilities:	
Cash on hand	\$10,000	Accounts Payable	
Savings	\$25,000	Revolving Credit*	\$7,000
Retirement	\$75,000	Installment Accounts (Auto)	\$10,500
Notes Receivable	0	Installment Accounts (other)	\$3,000
Life Insurance (cash value)*	0	Loans on Life Ins.	0
Stocks & Bonds*	\$30,000	Mortgages on RE*	\$250,000
Real Estate*	\$300,000	Unpaid Taxes*	0
Automobiles	\$14,000	Other*	\$20,000
Other* (jewelry, art, furniture, etc.)	\$15,000	Total Liabilities	\$280,000
Total	\$469,000	Net Worth	\$189,000

\*Information must be submitted on a separate schedule

# PERSONAL FINANCIAL STATEMENT

Assets:		Liabilities:	
Cash on hand	\$10,000	Accounts Payable	
Savings	\$ 5,000	Revolving Credit*	\$7,000
Retirement	0	Installment Accounts (Auto)	\$10,500
Notes Receivable	0	Installment Accounts (other)	\$3,000
Life Insurance (cash value)*	0	Loans on Life Ins.	0
Stocks & Bonds*	0	Mortgages on RE*	
Real Estate*		Unpaid Taxes*	0
Automobiles	\$14,000	Other*	\$20,000
Other* (jewelry, art, furniture, etc.)		Total Liabilities	\$37,500
Total	\$29,000	Net Worth	<b>\$(11,500)</b>

\*Information must be submitted on a separate schedule

# PERSONAL FINANCIAL STATEMENT

## SCHEDULE A --- REAL ESTATE

Address and Type of Property	Title in Name of	Cost Year Acquired	Present Market Value	Total Balance Owed	Mortgage Held By How Payable
123 Main Street Primary Residence	Mary & John Smith	\$300,000 2013	\$300,000	\$250,000	ABC Mortgage Corp. \$1,750 Monthly / 30 yr

## SCHEDULE C --- DEBTS OWED TO BANKS, Including Bank Credit Card Plans

Name of Bank	Collateral Pledged as Security or Name of Co-Signer or Endorser	When Due or Amount of Monthly Payment	Current Balance
Citi	None	\$ 50	\$ 3,000
Chase	None	75	4,000
GMAC	Auto	200	10,500
Henry's AC Repair	Installment	150	3,000
Sallie Mae	Co-signer	218	\$20,000
<b>TOTAL</b>		<b>\$ 693</b>	<b>\$ 40,500</b>



## KEY DECIDING FACTORS

- Character
- **Capacity**
- Collateral
- Capital
- Condition



## CAPACITY:

- Can the business pay bills when due?
- Is there any discretionary cash flow?
- Can the business owners personally repay the loan if the business fails?
- Outside source of income?
- Debt service coverage is flexible within reason.
- Skin in the game?



## APPLICATION CHECKLIST

- Current P&L and Balance Sheet
- If startup, projected startup Balance Sheet
- Pro forma (projections)
  - Monthly for the first operational year
  - Annual for Years 2 & 3



## SALES PROJECTIONS

	Jan	Feb	Mar	Apr	May
Product One - # sold	100	120	200	300	500
Sale price @ unit	\$10.00	\$10.00	\$10.00	\$12.00	\$15.00
Product One Sales TOTAL	\$1,000.00	\$1,200.00	\$2,000.00	\$3,600.00	\$7,500.00
Product Two - # sold	500	450	350	100	50
Sale price @ unit	\$15.00	\$15.00	\$12.00	\$10.00	\$10.00
Product Two Sales TOTAL	\$7,500.00	\$6,750.00	\$4,200.00	\$1,000.00	\$500.00

## PROFIT & LOSS- COG

	Jan	Feb	Mar	Apr
Revenue (Sales)				
Product One	\$1,000.00	\$1,200.00	\$2,000.00	\$3,600.00
Product Two	7,500.00	6,750.00	4,200.00	1,000.00
Total Revenue (Sales)	\$8,500.00	\$7,950.00	\$6,200.00	\$4,600.00
Cost of Sales				
One (@ \$2 ea)	\$200.00	\$240.00	\$400.00	\$600.00
Two (@ \$2 ea)	1,000.00	600.00	300.00	200.00
Total Cost of Sales	\$1,200.00	\$840.00	\$700.00	\$800.00
<b>Gross Profit</b>	<b>\$7,300.00</b>	<b>\$7,110.00</b>	<b>\$5,500.00</b>	<b>\$3,800.00</b>

## PROFIT & LOSS- EXPENSES

Expenses	Jan	Feb	Mar	Apr
Salary expenses	\$2,000	\$2,000	\$2,000	\$2,000
Payroll expenses	140	140	140	140
Outside services	0	0	0	0
Supplies	100	100	100	100
Repairs and maintenance	25	25	25	25
Advertising	150	150	150	150
Car, delivery and travel	150	150	150	150
Accounting and legal	250	250	250	250
Rent	1,500	1,500	1,500	1,500
Telephone	200	200	200	200
Utilities	100	100	100	100
Insurance	250	250	250	250
Taxes (real estate, etc.)	0	0	0	0
Misc.	100	100	100	100
<b>Total</b>	<b>\$4,965</b>	<b>\$4,965</b>	<b>\$4,965</b>	<b>\$4,965</b>

## PROFIT & LOSS

	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>
Gross Profit	\$7,300.00	\$7,110.00	\$5,500.00	\$3,800.00
Total Expenses	\$4,965	\$4,965	\$4,965	\$4,965
Net Profit	\$2,335	\$2,145	\$535	(1,165)

## CASH FLOW PROJECTIONS

	Pre-Startup EST	Jan	Feb	Mar
Cash on Hand (beginning of month)	\$10,000	\$29,100	\$30,595	\$31,860
<b>CASH RECEIPTS</b>				
Cash Sales		\$7,300	\$7,110	
Loan/ other cash inj.	\$50,000			
<b>TOTAL CASH RECEIPTS</b>	\$60,000	\$7,300	\$7,110	
Total Cash Available	\$60,000	\$36,400	\$37,705	
<b>CASH PAID OUT</b>				
Purchases (merchandise)	\$12,000	\$ 840	\$ 1,240	
Wages		2,000	2,000	
Supplies	\$2,000	100	100	
Repairs & maintenance		25	25	
Advertising	\$13,000	150	150	
Car, delivery & travel		150	150	
Accounting & legal	\$1,500	250	250	
Rent	\$5,000	1,500	1,500	
Telephone	\$400	200	200	
Utilities	\$750	100	100	
Insurance	\$1,250	250	250	
Miscellaneous		100	100	
<b>SUBTOTAL</b>	\$35,900	\$5,805	\$5,845	



## KEY DECIDING FACTORS

- Character
- Capacity
- **Collateral**
- Capital
- Condition



## COLLATERAL

- “Hard Assets”
- Risk Mitigation
- Easily Liquidated?
- Not acceptable (usually):
  - Inventory
  - Accounts receivable
  - Notes receivable
  - Personal property or items that cannot be held in the safe keeping
  - Interest in time share properties
  - Boats and other recreational vehicles
- Almost always:
  - Security Lien on the business' FF&E
    - UCC-1
  - Personal Guaranty by each 20%+ business owner
- Could be:
  - **Guaranty** from a separate business
  - **Personal Guaranty** from an outside source
    - This is an Industry Standard!

## COLLATERAL

Description	Present Value / How?	Lien / Who?
Business Assets	\$25,000 - Balance Sheet	None
Home - 123 Main Street	\$300,000 - 2019 Appraisal	\$150 - ABC Bank
2017 Ford F 150	\$24,900 - Kelly Blue Book	None

## KEY DECIDING FACTORS

- Character
- Capacity
- Collateral
- **Capital**
- Condition



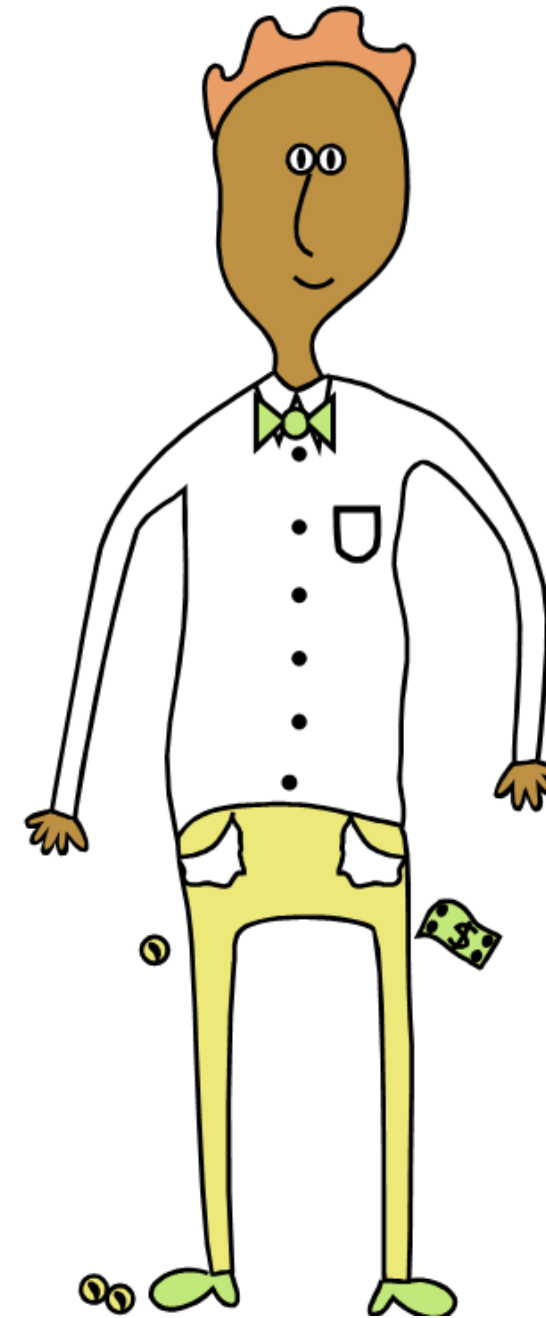
## CAPITAL

- Does the company have assets?
- What was the business owners' investment?
- Are the projections realistic?
- Are the business expenditures reasonable?



## FUNDING

- How much cash do you have to support the deal?
- Lenders like to see owner's equity of 10 - 20% of the project cost



## TOTAL PROJECT COST

- Start-up Expenses could include
  - Improvements
  - Inventory
  - Furniture, Fixtures & Equipment
  - Licenses
  - Insurance
  - Pre-opening payroll
  - Education / Certification



## DOCUMENTATION NEED-TO-KNOWS



1. Provide copies of appropriate quotes/estimates/contracts to support use of proceeds.
2. Quotes for equipment must be on supplier's letterhead, catalog or website.
3. If supplies are to be purchased through catalogs or via the internet, provide copies of the page(s) on which items appear.
4. Provide detailed breakdown of needs for working capital.

Sources and Uses	CLIMB Fund Loan	Other Lender	Owner's Cash Investment	Total Costs
Leasehold Improvements	\$10,000			\$10,000
Equipment		\$20,000	\$ 7,500	\$27,500
Furniture & Fixtures			\$10,000	\$10,000
Working Capital	\$10,000			\$10,000
Total	\$20,000	\$20,000	\$17,500	\$57,500



## DOCUMENTATION NEED-TO-KNOWS

- Know how much \$ you need and why
  - A summary of the \$ amount of the loan that is being requested and the uses to which the borrowed funds will be applied
  - Break it down!
  - Provide vendor quotes – even print out pages for comparison!

The eBay logo is displayed in its characteristic multi-colored font, with 'e' in red, 'b' in blue, 'a' in yellow, and 'y' in green.The Etsy logo is shown in a stylized, orange, serif font.The Amazon logo is presented in a bold, black, sans-serif font with the iconic orange arrow underneath.

## BALANCE SHEET

Assets (owns)  
-Liabilities (owes)

---

Owners Equity (what's left over)

- If (negative) Equity . . .
  - Did the owner invest enough in the business?
  - Is the business losing too much money?
  - Did the business owner use funds correctly?

## KEY DECIDING FACTORS

- Character
- Capacity
- Collateral
- Capital
- **Condition**



## CONDITIONS

- Industry & Products
- Market Trends / Marketing
- Delivery
- Seasonality
- Changes in Operations
- Own vs. Rent
- Location
- Competition



## CONDITIONS NEED TO KNOWS

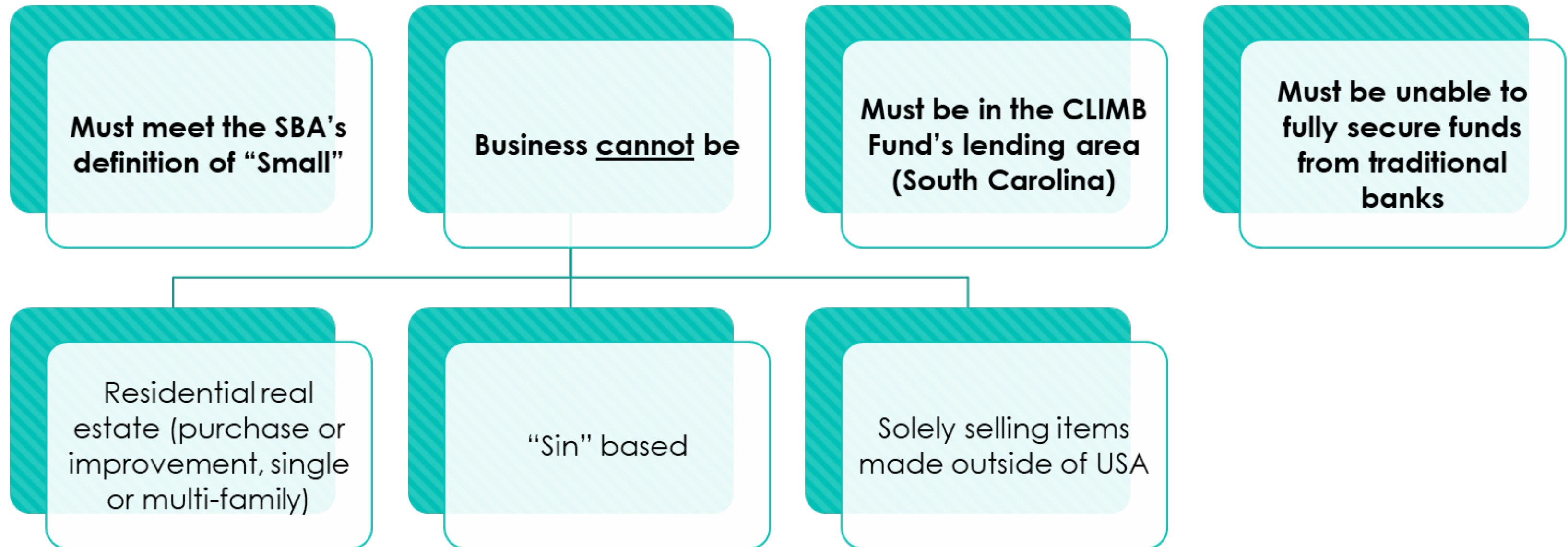
- If exists, include:
  - The company's Articles of Incorporation
  - Bylaws, Corporate Resolutions
  - Operating Agreement (sc.gov)
  - Lease or LOI
    - Verified funding before signing?
  - Other pertinent legal agreements
  - A letter from a commercial bank declining this request



## DECISION....



## CLIMB FUND CLIENT CRITERIA



## TERMS

- Interest Rate
  - Fixed – currently ~ 7.75%-11%
  - LOC Variable – Prime + 5.0%
- Fees
  - 3% origination fee
  - Up to \$200 annual processing fee
- Application fee
  - \$125
  - May have additional credit report fee for existing businesses

## FLEXIBILITY

- Credit – any derogatory credit will require an explanation
  - (open judgments, collections, liens or bankruptcies in the past 3 years may result in declination)
- Collateral – case-by-case
- Terms – fit to use of funds
- Owner Investment - subject to review



# CLIMB FUND RISK RATING CHART

CLIMB Fund Risk Rating Chart						
Date:	Borrower:					Loan Officer: Rourke
	1	2	3	4	5	
Personal Net Worth	\$200,001<	\$100,001-\$200,000	\$50,001-\$100,000	\$1-\$50,000	Negative	
GDSC*	1.5:1<	1.26x-1.5x	1.25x	1.10x-1.24x	<1.10x	
Collateral Coverage	1.1<	.76-1:1	.75:1	.5:1 - .74:1	<.5:1	
Quick Ratio**	1.5:1<	1.1:1 - 1.5:1	1:01	.75:1 - .99:1	<.75:1	
Credit Score	700<	651-700	621-650	600-620	<600	
Years In Industry	> 9 year	8-9 years	4-7 years	1-3 years	0	
Years of Industry Management	> 5 years	3 - 5 years	1-2 years	< 1	0	
Owners Equity Into Transaction	25%+	16-24%	10-15%	1-9%	0	
Business Profitability	Exceeds industry avg by 50% of profitability	Profitable 3 of last 3 years	Profitable 2 of last 3 years	Profitable 1 of last 3 years	Start up - 2 years	
Business debt ratio***	<.75:1	.89:1-.75:1	.9:1	1:1-.91:1	>1:1	

\* GDSC: Personal Income - 10% for living expenses - personal debt + business income / business debt  
 \*\*Quick Ratio: (Current Assets - Inventories) / Current Liabilities  
 \*\*\*Business debt ratio: Total Liabilities / Total Assets

Loan Score	
1	Excellent
2	Good
3	Acceptable
4	Poor
5	Unacceptable

# APPLICATION

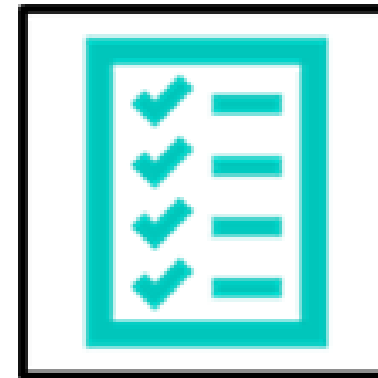
**SCAN FOR THE APPLICATION!**



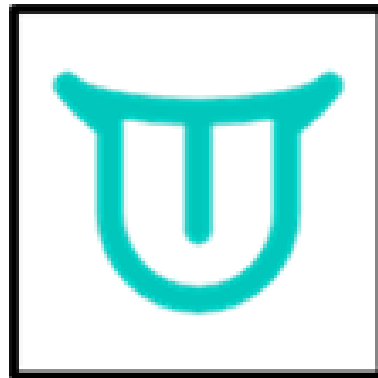
Process Starting Point



Critical tool to understanding your business



Completeness impacts timeliness of lending process and decisions



Available in English & Spanish



One part of the application package



## Disclaimer

In connection with the CLIMB Fund's loan programs and technical assistance initiatives, we or our agents may render certain technical assistance to you relating to, but not limited to, such topics as management systems, financial systems, internal controls, marketing plans, business plans, financial projections, and compilations. This technical assistance may occur before, during and after you make a loan application with the CLIMB Fund, and before, during and after you have received a loan from the CLIMB Fund.

Such assistance and all statements made and documents generated in connection therewith are for your use only, and may not be used by or communicated in any manner whatsoever to third parties without our express written consent.

It is agreed and understood that we have taken no independent steps to verify the information you and/or your agents have provided to us. We have not been requested to perform, nor have we performed, any auditing functions regarding this information. We have strictly relied upon the information as obtained, provided, and presented by you and/or your agents. You agree to indemnify and hold the CLIMB Fund and its agents harmless in connection with the use or misuse by the CLIMB Fund of such information, documents, representations or writings supplied by you and/or your agents to the CLIMB Fund.

We are in no way responsible for your use of the CLIMB Fund's or its agent's technical assistance information, and make no warranties and representations in connection therewith except as expressly granted in writing. You agree to indemnify and hold the CLIMB Fund and its agents harmless in connection with the use or misuse by you and/or your agents of such information, documents, representations or writings generated by the technical assistance rendered.

The CLIMB Fund's technical assistance is rendered to you in addition to and not in lieu of any acts and actions, evaluations and analysis necessary for you in the ordinary course of your business or otherwise, and is not intended to replace the same.

It is understood that the receipt of technical assistance from the CLIMB Fund and submission of a loan request to the CLIMB Fund does not guarantee that funding will be provided.

\_\_\_\_\_

Business (Applicant) Name

\_\_\_\_\_

Printed Name of the Business Principal and Title

\_\_\_\_\_

Signature, both individually and on behalf of the business

\_\_\_\_\_

(Month / Day / Year)

### Conflict of Interest Certification

Pursuant to the undersigned's desire to enter into a contractual financial relationship, the purpose of which is to obtain financing, the undersigned does hereby certify to the CLIMB Fund and acknowledge the following understandings:

- A. The borrowing entity or any owner of interest in the borrowing entity is not related by blood, marriage, law, or business arrangement to any officer, employee or director of the CLIMB Fund.
- B. No officer, employee, director or person related by blood, marriage, law or business arrangement to an officer, employee or director of the CLIMB Fund shall receive any benefit resulting from the use of loan funds, unless the affected party has first disclosed on the public record the proposed or potential benefit and receives written determination by the CLIMB Fund that the benefit is not so substantial as to affect the integrity of the loan decision process or the services of the officer, employee or director.
- C. An officer, employee or director of the CLIMB Fund has not solicited or accepted, directly or indirectly, any gift, gratuity, favor, entertainment, or any other item of monetary value for himself or for another person, from any person or organization seeking to obtain a loan.

These above covenants are acknowledged and agreed to this date and shall remain in effect so long as the loan is outstanding.

\_\_\_\_\_

Business (Applicant) Name

\_\_\_\_\_

Printed Name of the Business Principal and Title

\_\_\_\_\_

Signature, both individually and on behalf of the business

\_\_\_\_\_

(Month / Day / Year)

## Certifications and Assurances

In consideration of a loan from the CLIMB Fund, the Applicant hereby assures and certifies that it will comply with all regulations, policies, guidelines and requirements as they relate to the application, acceptance and use of CLIMB Fund's loan proceeds for this project. In addition, the Applicant assures and certifies with respect to the consideration, approval and use of a loan that:

1. The Applicant possesses the legal authority to apply for the loan, that a resolution, motion or similar action has been duly adopted or passed as an official act of the Applicant's governing body, authorizing the filing of the application, including all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the Applicant to act in connection with the application, and to provide such additional information as may be required.
2. The Applicant will comply with:
  - a. Title VI of the Civil Rights Act of 1964 (Public Law 88-352, 42 U.S.C. 2000-d), which prohibits discrimination on the basis of race, color or national origin;
  - b. Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), which prohibits discrimination on the basis of handicap;
  - c. The Discrimination of Age Act of 1975, enacted as an amendment to the Older Americans Act (Public Law 94-135), which prohibits unreasonable discrimination based on age; and
  - d. Title IX of the Educational Amendments of 1972 (20 U.S.C. 1681, et seq.), which prohibits discrimination on the basis of sex in education programs and activities, including those not offered or sponsored by an educational institution.
3. The applicant will comply with the minimum wage and maximum hours provisions of the Federal Fair Labors Standards Act (29 U.S.C. 201).
4. The Applicant will insure, pursuant to Executive Order 11738, the facilities under its ownership, lease or supervision, which shall be utilized in the accomplishment of this project or result from this project are not listed on the Environmental Protection Agency (EPA) list of Violating Facilities, and that it will notify the CLIMB Fund promptly upon receipt of any communication for the EPA that a facility to be utilized or result from the accomplishment of this project is under consideration for listing by the EPA.
5. The Applicant will comply, to the extent applicable, with all requirements of Section 114 of the Clean Air Act, as amended (42 U.S.C. 1857, et seq.) and Section 307 of the Federal Water Pollution Control Act (33 U.S.C. 1857, et seq.), respectively, relating to inspection, monitoring, entry, reported, and information, as well as other requirements specified in Section 114 and Section 308 of the Air Act and the Water Act, respectively, and all regulations and guidelines issued thereunder.
6. The Applicant will comply with the provisions of Executive Order 11990, relating to the protection of wetlands.
7. The Applicant will comply with the provisions of Executive Order 11988, relating to floodplain management.
8. The Applicant will comply with standards for environmental quality control that may be prescribed pursuant to responsibilities of the Federal Government under the National Environmental Policy Act of 1969 (Public Law 91-190) and Executive Order 11514, Protection and Enhancement of Environmental Quality as amended by Executive Order 1191.
9. The Applicant will comply with the flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (Public Law 93-234, 42 U.S.C. 4106 and 4128, 87 Stat. 975), which requires the purchase of flood insurance in communities where such insurance is available, as a condition of a CLIMB Fund Loan, such as having been identified by the Secretary of Housing and Urban Development as areas having special flood hazards.
10. The Applicant will comply with Section 106 of the National Historic Preservation Act of 1966 as amended (16 U.S.C. 470), Executive Order 11593 and the Archaeological and Historical Act (16 U.S.C. 469a-1 et seq.) by (a) consulting with the State Historical Preservation Officer as necessary to identify properties which may suffer adverse effects as a result of this project and notifying the CLIMB Fund of the existence of any such properties and by (b) complying with all requirements established by the Economic Development Administration to avoid or mitigate adverse effects upon such properties.
11. The Applicant will comply with the equal opportunity clause prescribed by Executive Order 11246, as amended, and will require that contracts and subcontracts which have or are anticipated to yield in excess of \$10,000 within 12 months of carrying out this project, include such clause.
12. The Applicant will maintain its legal entity in good standing with applicable federal, state and local laws and requirements regulating the conduct of its business, including the payment of all taxes, fees and other charges, and the maintenance of all requisite licenses and any other government authorizations necessary for the continued operation of the Applicant's business.

*CERTIFICATIONS AND ASSURANCES, cont.*

13. The Applicant will not, for a period of two years after the closing of this loan, employ or tender any office or employment to, or retain for professional services, any person who, on the date of closing or one year prior to said date (1) shall have served as an officer, attorney, agency or employee of the CLIMB Fund, (2) any person who is of a blood relationship to any member of the CLIMB Fund, or the CLIMB Fund staff, and (3) as such, shall have occupied a position or engaged in activities which the CLIMB Fund shall have determined, or may determine, involved discretion with respect to the granting of this loan.
14. The Applicant assures it is not relocating any present operation as a result of this project. Further the Applicant (including "affiliate, etc." as shown above) has not discontinued, liquidated or curtailed production at a similar facility to that proposed in this project within the past two years. In addition, the Applicant assures that the project will not result in a decrease in employment at facilities under its control elsewhere.
15. The Applicant has authorized the CLIMB Fund to investigate the character and credit backgrounds of all individuals and entities which have been, are, or will be in any way involved in the carrying out of the project for which a CLIMB Fund loan is sought. Further, in the course of securing participants in the project, the CLIMB Fund is authorized to divulge such information as the CLIMB Fund deems necessary and appropriate, which is available to the CLIMB Fund.
16. The Applicant waives any and all claims it may have against the CLIMB Fund, members of its Board of Directors or Loan Committee, its Staff and/or its agents, arising out of or in any way related to any technical and/or management assistance provided by them.
17. The Applicant will approach and work with appropriate employment and training entities, in the interest of making job opportunities resulting from the project available to the long-term unemployed and low-income persons as well as others in the area.
18. Neither the Applicant, nor any officer, board member nor owner of any interest in the Applicant is/are related by blood, marriage or law to any CLIMB Fund officer, or member of CLIMB Fund's Board of Directors who has loan approval authority.
19. Construction financed in whole or in part by the applicant will meet the requirements of the Davis-Bacon Act, as amended (40 U.S.C. 276a-276a-5).

The Applicant certifies that any and all information submitted by it in connection with its request for a loan from the CLIMB Fund, has been true and complete to the best knowledge and belief of the Applicant, and agrees to notify the CLIMB Fund immediately of any changes or additions to said information.

<input type="text"/>	
Business (Applicant) Name	
<input type="text"/>	
Printed Name of the Business Principal and Title	
<input type="text"/>	<input type="text"/>
Signature, both individually and on behalf of the business	(Month / Day / Year)



Certification Regarding  
Debarment, Suspension, Ineligibility and Voluntary  
Exclusion Lower Tier Covered Transactions

This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, 13 CFR Part 145. The regulations were published as Part VII of the May 28, 1988 *Federal Register* (pages 19160-19211). Copies of the regulations may be obtained by contacting the person to which this proposal is submitted.

**(BEFORE COMPLETING CERTIFICATION, READ INSTRUCTIONS ON REVERSE)**

- (1) The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals are presently debarred, suspended, proposed for disbarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.
- (2) Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Business Name

Date

By

Name and Title of Authorized Representative

Signature of Authorized Representative

INSTRUCTIONS FOR CERTIFICATION

1. By signing and submitting this proposal, the prospective lower tier participant is providing the certification set out below.
2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.
3. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
4. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations (13CFR Part 145).
5. The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.
6. The prospective lower tier participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion--Lower Tier Covered Transactions," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that is not debarred, suspended, declared ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.
8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
9. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.



**Authorization and Permission**

*(Not required for lending purposes)*

I hereby authorize and give permission to the CLIMB Fund to use my name, any visual images of me, including video footage with sound, and information about me relating to the business \_\_\_\_\_ in marketing the CLIMB Fund and its programs.

I also hereby authorize and give permission to the CLIMB Fund to use the name, address, description of, and any visual images of the business, including video footage with sound, in marketing the CLIMB Fund and its programs to include its website.

I expressly understand that the authorization and permission given herein by me to the CLIMB Fund is for all types of marketing including, but not limited to, marketing through radio, television, pamphlets, flyers, brochures, posters, newspaper articles, periodical articles, video documentary, and all other forms of written, verbal and visual communication to include its website.

I have read the attached article(s) and reviewed the accompanying photograph(s) regarding me and the business, and I hereby approve of the article(s) and photograph(s), and I authorize and give permission to the CLIMB Fund to publish the article(s) and photograph(s).

I understand I will receive no royalties, fees or compensation in exchange for the CLIMB Fund's use of me and/or the business for marketing as mentioned hereinabove.

The CLIMB Fund is a not-for-profit corporation that provides both technical and financial assistance to small businesses. In order to provide the assistance, the CLIMB Fund borrows funds from various sources—including federal sources. As such, the South Carolina Freedom of Information Act (FOIA) requires the CLIMB Fund to disclose information that is not exempt under the law, if such information is requested in writing.

\_\_\_\_\_  
Business (Applicant) Name

\_\_\_\_\_  
Printed Name of the Business Principal and Title

\_\_\_\_\_  
Signature, both individually and on behalf of the business

\_\_\_\_\_  
(Month / Day / Year)

## Fee Statements

**CLIMB Fund's Program Participation Fee:** for all submitted applications, the CLIMB Fund requires a program contribution in the amount of \$125. The contribution is paid at the time of application to cover the expense of pulling credit reports and processing paperwork. If the Borrower is an existing business with a history of business credit, in addition to the fees for the individuals involved in the enterprise, there may be an added fee of \$155 for the business credit report.

**CLIMB Fund's Origination Fee:** The CLIMB Fund may charge up to a three percent (3.0%) origination fee on the loan principal. For example: A loan of \$50,000 will have a \$1,500 origination fee. The fee will be totaled, and the borrower will pay a non-refundable one-half percent (0.5%) of the fee at the time of executing the commitment letter, and the remaining two and a half percent (2.5%) of the fee at closing. For example: A loan of \$50,000 will have a \$250 origination fee due at time of accepting the CLIMB Fund's commitment, with the remaining \$1,250 due at the time of closing. The origination fee helps defray the CLIMB Fund's cost of borrowing funds.

**CLIMB Fund's Loan Servicing Fee:** The CLIMB Fund may charge a loan servicing fee of up to \$200 per year of the term of the loan. For example: A loan amortized over ten years will have a \$2,000 loan servicing fee. The loan servicing fee helps defray the CLIMB Fund's cost of servicing the loan.

**Additional Fees:** The CLIMB Fund and/or other parties may collect additional fees such as, but not limited to, the following:

*UCC Filing for Furniture, Fixtures & Equipment:* \$16+ per filing

*DMV Fees for Vehicle Liens, Titling & Registration:* \$22.50-\$500+ per vehicle or trailer

*GPS Device Purchase and Installation for Vehicle Liens:* \$260 per vehicle or trailer

*Flood Map Certification:* \$16-\$35 per property

*Wire Fee:* \$35 per wire

*Attorney Fees for Real Estate Transactions:* Based on attorney selection, \$750+ (this is NOT a CLIMB fee)

**CLIMB Fund's fees disclosure statement:** I hereby acknowledge that a Participating Fee must be paid for my application to be processed. If the loan request is approved and I agree with the terms, I understand that a 0.5% organization fee must be paid to start the loan closing process. In addition, I hereby acknowledge that an Origination Fee, Loan Servicing Fee, and Additional Fees as required and stipulated above, must be paid at the loan closing.

<input type="text"/>	
Business (Applicant) Name	
<input type="text"/>	
Printed Name of the Business Principal and Title	
<input type="text"/>	<input type="text"/>
Signature, both individually and on behalf of the business	(Month / Day / Year)

**ONCE YOU HAVE ALL THE BUSINESS  
INFORMATION IN A COMPLETE  
PACKAGE.....**

Tax Returns

PFS

Business Plan

Projections

Resume

Supporting Docs

## THE LOAN INTERVIEW

- Once you have all submitted as much as possible . . .
- Book time with a loan officer!
- Bring your Coach or Mentor!

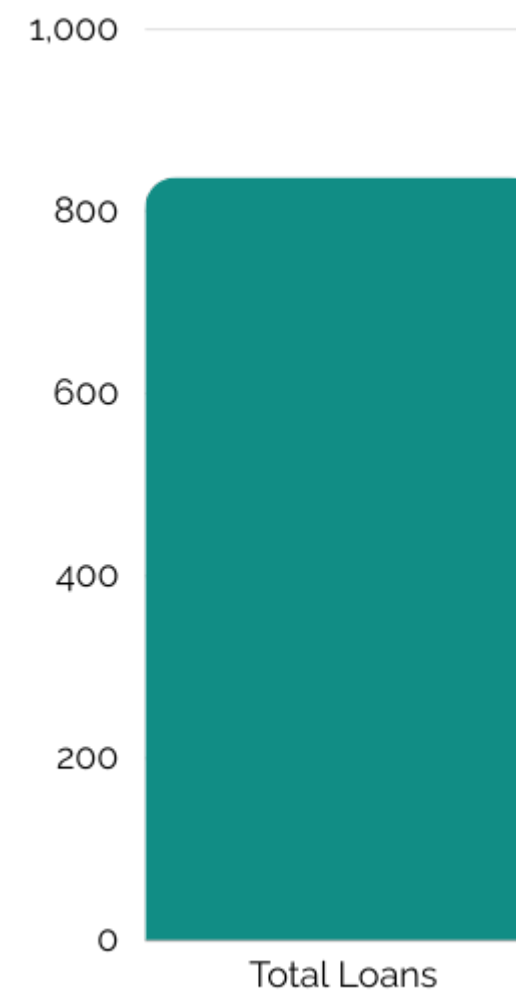


## RECENT GROWTH

**44.1 MILLION  
DOLLARS LENT!**



**838 LOANS  
DISBURSED!**



1979-2023



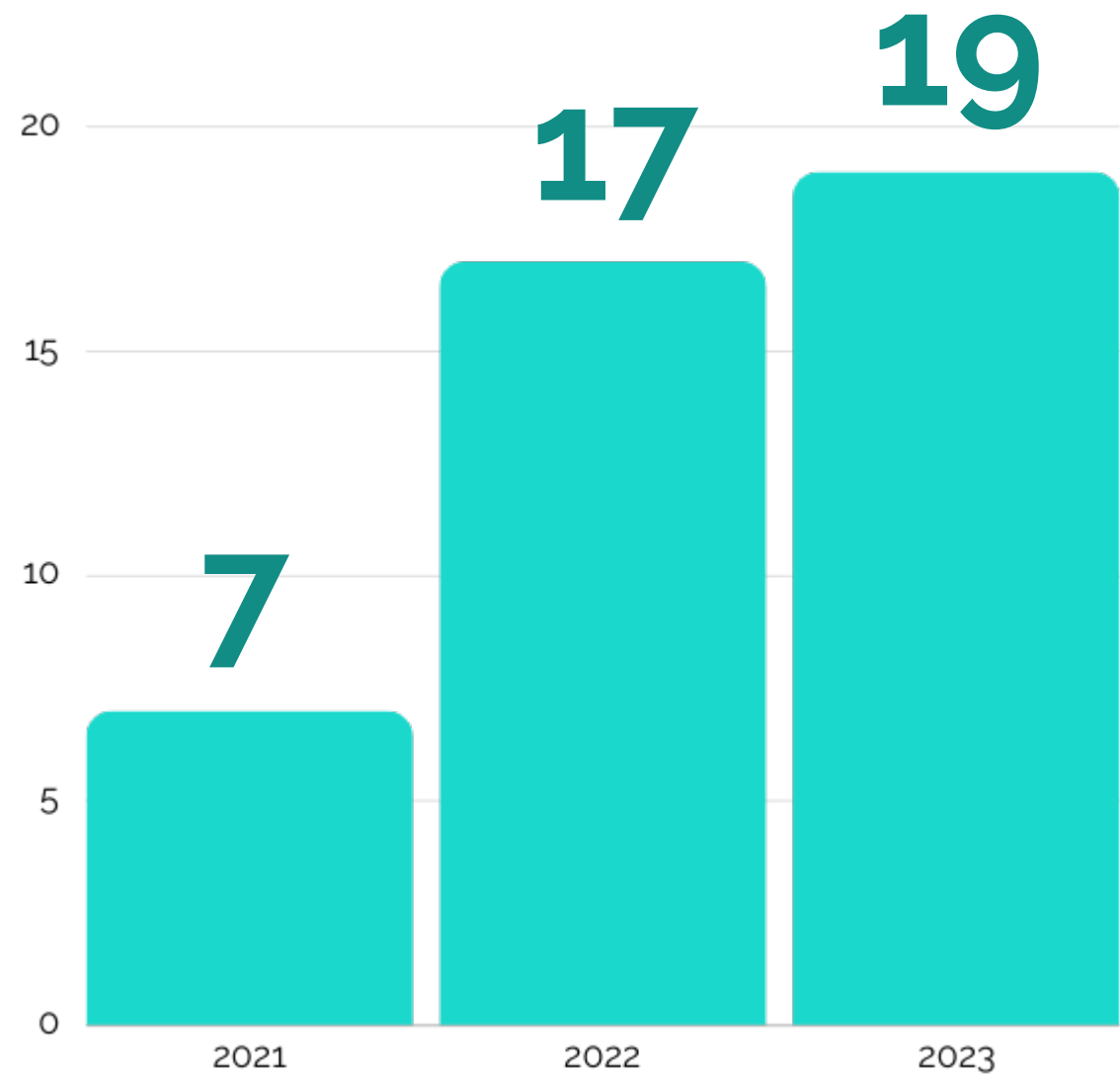
Barrier Island Oyster Co., Wadmalaw Island, SC

Elwood Wine, Boiling Springs, SC

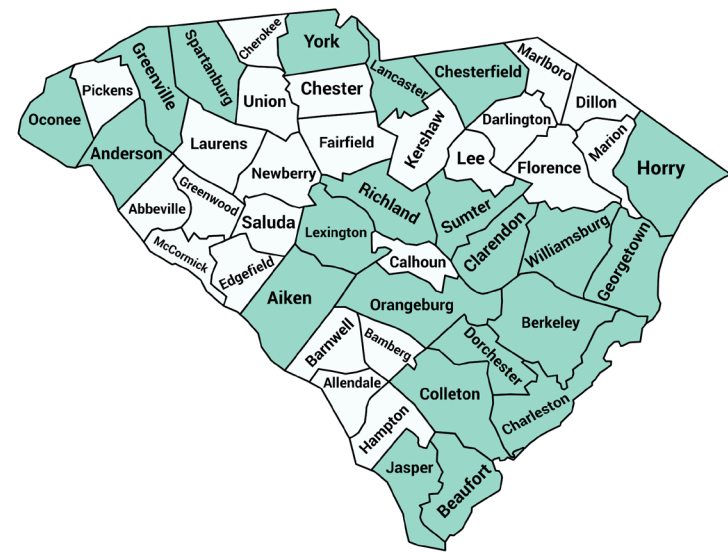


# EXPANDING GEOGRAPHY

Number of Counties with CLIMB Fund Clients



**171%** increase in number of SC counties with CLIMB Fund clients since statewide expansion



Created with mapchart.net



Balance Boutique Fitness, Beaufort, SC

Beauty Secrets, Georgetown, SC



## WHO YOU'LL BE WORKING WITH

### Intake Coordinator

- Works with you on compiling your application
- Ensures completeness of application package
- Collects application fee (\$125) once package is complete
- Hands off to lending team once fee is paid

### Loan Officer

- Reviews your completed application
- Follows up to clarify & ask questions
- May suggest improvements to credit request
- Presents to appropriate committee for lending decisions

## TECHNICAL ASSISTANCE

The CLIMB Fund provides over 2,500 hours per year of small business coaching to our borrowers.

Full time Client Success Coordinator on staff along with a network of contracted specialists to help our clients, free of charge, with any needs that arise:

- QuickBooks & Accounting
- Marketing & Social Media
- Industry-specific (Food & Bev.) experts
- HR, IT, Real Estate, and Legal referrals
- Small business generalists
- Networking with other borrowers



**Thomas Gorman**  
Client Success  
Coordinator

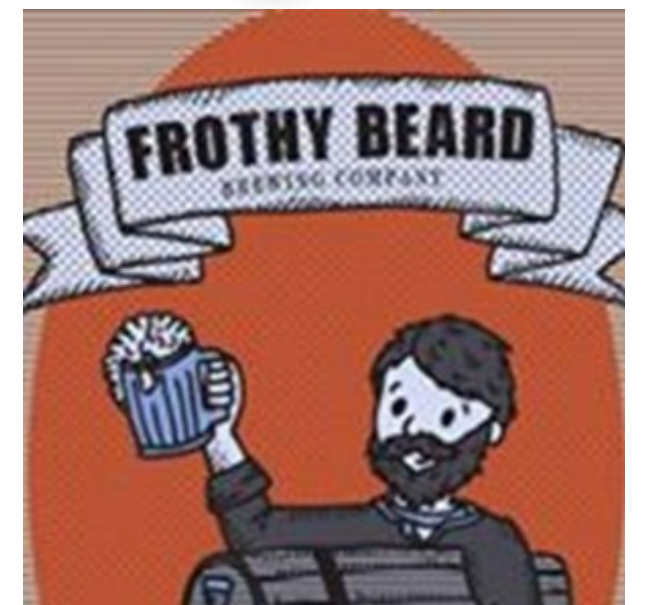


Bourne Group, North Charleston, SC





HAMPDEN



**CLIMB Fund**  
Lending for Opportunity



Ra Coffee Company



Félix



Bellelina  
Skincare Spa / Makeup Studio



# CLIMB Fund

Lending for Opportunity

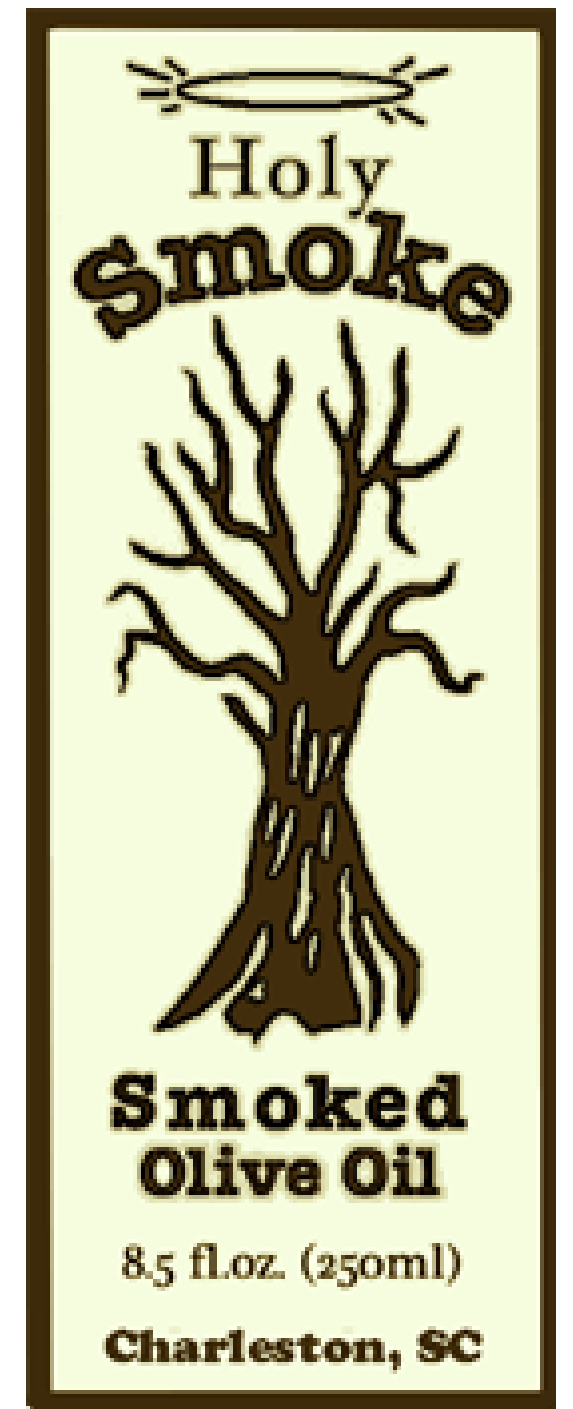
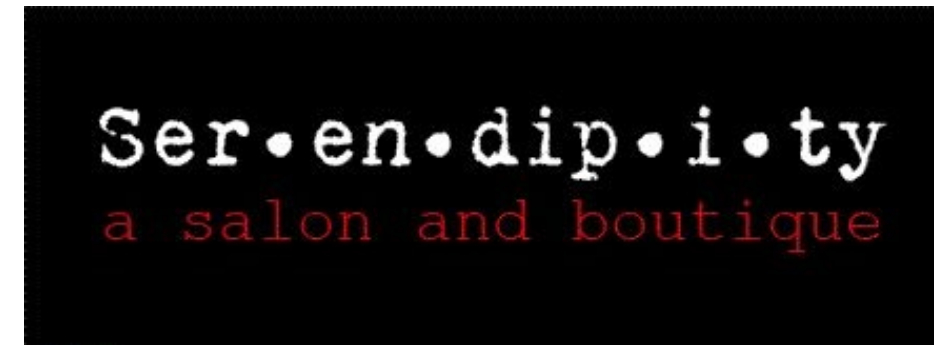


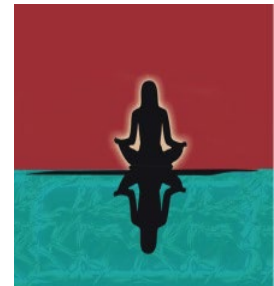


NIPPITATY DISTILLERY  
— EST. 2017 —

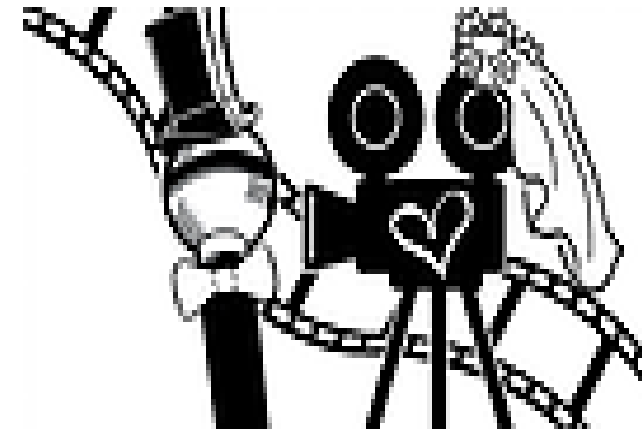


Lowcountry Children's Co-op





**Healing Hara  
Massage & Wellness**



- YOUR WEDDING. YOUR STORY. -



**BOXCAR BETTY'S**

**CLIMB Fund**  
Lending for Opportunity

**DIXON**  
Law Firm, LLC



*Simple Treasures*

*simply • your • spa*



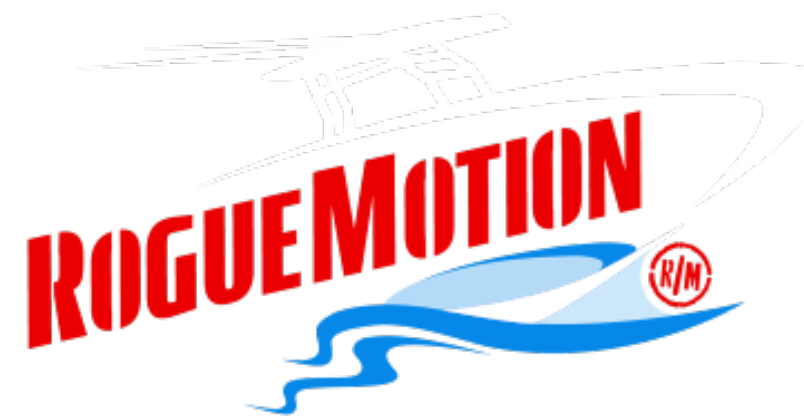
**LINE OF DEPARTURE**  
**ATHLETE**



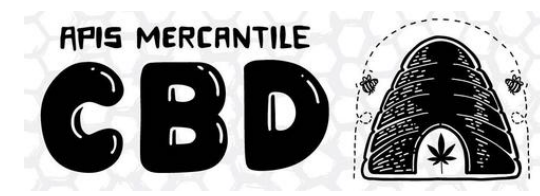
**CLIMB Fund**  
Lending for Opportunity



BROOM  
WAGON  
COFFEE



**CLIMB Fund**  
Lending for Opportunity



**Off the Chain  
OTC  
Sandwich Shoppe**™  
Since 1979



A SUB EVERYONE KNOWS - BUT NEVER  
TASTED ONE THIS GOOD!!!

"Come and get your grub on!"



**blanche darby**  
FLORIST



ASESORIA LEGAL. VISAS. DEPORTACIONES. PERDONES. ESTATUS MIGRATORIO.



# CLIMB Fund

Lending for Opportunity



SCAN ME

843-973-7298

[info@climbfund.org](mailto:info@climbfund.org)

[www.climbfund.org](http://www.climbfund.org)

