

Francis Fund for Southeastern CT

A regional fund of Equity Trust and St. Francis House

The Francis Fund for Southeastern Connecticut supports and promotes a sustainable, just, regional economy in New London County. As a mission-based revolving community loan fund, we help our neighbors invest in sustainable non-profit and for-profit projects that provide for the tangible needs of our neighbors, create new opportunities, restore the land to health, and build shared equity in New London County.

The Francis Fund is a partnership of St. Francis House in New London, CT, an intentional Christian community in the Catholic Worker tradition; and Equity Trust, a national organization headquartered in Amherst, MA dedicated to promoting equality by changing the way people think about and hold property. Together, St. Francis House and Equity Trust have defined the fund's mission and guide its ongoing evolution. St. Francis House provides local engagement, initial mission-fit assessment, and ongoing support for loan projects; and convenes the local Advisory Committee that makes lending recommendations to Equity Trust. Equity Trust has legal responsibility for, and fiduciary oversight of, the Francis Fund and therefore provides final review of loan requests and takes administrative and fiduciary responsibility for each loan.

LOAN APPLICATION PROCEDURES

1. Complete this application and return it with any readily available information that you believe will be helpful in allowing the Francis Fund to understand how you are proposing to put together your project and how our loan funds will be used within your project. The type of information that we are looking for includes financial information about you, your organization, and/or the project; and a work plan for how the money will be used, detailing any other sources of funds and who will be responsible for doing the work.
2. The Francis Fund Administrative Committee will review any material that you have submitted to determine whether your project qualifies and whether the project falls within our range of capability. If your project is not eligible you will receive a letter explaining why your request was denied. If your project is eligible and we have sufficient funds, you will be contacted and asked to submit any additional information needed to complete your application. Material prepared for any other purpose, which contains the requested information, is acceptable as long as you highlight the relevant section and identify which of our questions it addresses. Members of the Francis Fund Administrative Committee or the Advisory Committee may make a site visit to learn more and gather information in person.
3. The Francis Fund Advisory Committee will review your application and if they recommend the project, the request will go to Equity Trust's Loan Committee for final review and possible refinement of terms and conditions. The Loan Committee will approve the loan, deny the loan, or ask for additional information.
4. If approved, a loan agreement will be issued by Equity Trust stipulating the terms and conditions of the agreement and requiring a signature within a specified amount of time. If the Francis Fund agrees to provide only a portion of the funds that are needed and the

remaining funds need to be secured from another source, a time-limited commitment letter will be provided to allow you to mobilize the rest of the funds that are needed.

5. Equity Trust charges a fee of \$200 or 1% of the value of the loan, whichever is larger, to issue a loan that has been approved.
6. Preparation of documents for closing: Equity Trust will provide a Loan Agreement and a Promissory Note. When there is collateral to secure the loan, we request that your attorney prepare the necessary security instruments for our review and approval. In some cases exceptions may be made to this policy.
7. Closing will occur as soon as all conditions in the Loan Agreement have been satisfied and the appropriate documents have been prepared.
8. If the project does not qualify (step 2) or the application is not recommended by the Advisory Committee or is not approved by the Loan Committee (step 3), a denial letter containing the reasons for rejection will be sent to you.

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LOAN APPLICATION

1. APPLICANT

Legal Name of Borrower: _____

Contact Person: _____ Title: _____

Mailing Address: _____

Telephone Number: (____) _____ Fax: (____) _____

Email Address: _____

Tax Operating Status: _____
(e.g. Non-profit, 501(c)3, cooperative, individual, municipality, etc.)

Tax I.D. Number: _____ Date Established: _____

2. DESCRIPTION OF PROJECT (Please describe the project and how a Francis Fund loan would contribute to it.)

3. LOAN REQUEST

Total Project Cost: _____ Amount Requested: _____

If you are funding part of your project's total cost with a source of funds other than a loan from the Francis Fund, please describe how funds from a Francis Fund loan would be used:

Requested Interest Rate: _____

Other Sources of Funds:

Name of Source	Amount	Status (i.e.: proposed, requested, committed)
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Proposed Collateral: _____

Anticipated Source of Repayment: _____

References (Name, Address, Phone)

1. _____

2. _____

If you have questions about how to fill in this application or about the Francis Fund, please call or write:

**Francis Fund for Southeastern CT
32 Broad St.
New London, CT 06320
(860) 437-8890
connect@thefrancisfund.org**

Francis Fund

Loan Application Supporting Information Checklist

The following lists outline the kinds of information that we will be looking for in order to make a decision about your loan request. Not all of these things will apply to you. Please send us any of the following that you have and we will work with you to complete any missing pieces. Please feel free to send material that you have prepared for other purposes and highlight and label the sections that respond to items listed below.

A. Organizational Information

- Description of legal and organizational structure.
- Membership information (eligibility criteria, number of current members, extent to which they are representative of the community).
- Description of staff and volunteer support.
- History of the organization and of key people in it, including brochures and/or press clippings.
- Description of current programs.
- Account of real estate holdings.
- Account of other assets.
- Account of current indebtedness.
- Operating budget for current fiscal year.
- Projected budget for at least twelve months into the future.
 - New businesses: please include a projected budget for at least two years into the future.
 - New businesses: please break budget down by month for at least first twelve months.
 - Short-term cashflow loan requests: please break projected budget down by month.
(Please ask—we can send you a model for a projected budget broken down by month.)
- Financial statements for the previous two years.
- Statement of sources of funding.
- If incorporated, a copy of the Articles of Incorporation, Bylaws, IRS Determination letter, list of the Board of Directors and officers, and a corporate resolution authorizing a loan from Equity Trust and designating the appropriate person to sign all documents to complete the transaction.

B. Project Information

- Description of project and the development team.
- Explanation of who, and how many, will be served, and the level of their need.
- Explanation of how the project will improve or strengthen Southeastern CT to make it a more sustainable and resilient place and community.
 - In what ways does this project support collaborative efforts to assist people in building economic opportunities and services in their local communities?
 - In what ways does this project create opportunities for groups historically excluded from economic development opportunities?
 - In what ways does this project increase local production capacity of basic goods and services?
 - In what ways does this project strengthen local webs of relationships and interdependencies in Southeastern CT economy?

- Explanation of how the project relates to ongoing development efforts.
- Ultimate ownership or management plan for the project.
- Business or development plan, with timeline.
- Project budget.
- List the sources and uses of money for the development of the project and note which are in-hand, which are conditional and which are uncommitted. Please discuss particular challenges of this project and an account of any unsuccessful efforts to get financing from other sources.
- Description of the type and value of the collateral (or other security) offered.
- Description of current and future technical assistance needs and who, if anyone, is presently providing assistance.