



Low Interest Loan Program: Frequently Asked Questions

The Columbia Montour Chamber of Commerce makes available to its members a low-interest loan fund that can provide up to \$10,000.00 in funding. The interest rate is 5% for a maximum term of thirty months, with interest-only payments to be made in the first twelve months of the loan.

Members have used the program to purchase inventory, renovate locations, or for other business investments. The guidelines and the application process are simple. Applications are reviewed by a three-person loan committee, with recommendations made to the Chamber's Board of Directors. Personal guarantees are required on all loans.

Is Chamber membership required to qualify for the loan?

Yes. All recipients of the Chamber's low interest loan fund must maintain membership with the Columbia Montour Chamber of Commerce for the life of the loan. If status is delinquent, borrowers shall be required to pay the remaining balance in full.

If a business is not yet a Chamber member at the time of application, they must write a check for a full year of membership or agree to have the cost of membership deducted from loan proceeds to be considered.

What is the interest rate?

The interest rate on the loan is a fixed 5% interest for a maximum of thirty (30) months. In the first twelve months, interest-only payments are all that is required.

How much can I borrow?

The maximum loan amount is \$10,000.00.

Does the Chamber loan program finance start-ups?

The Low-Interest Loan Fund has been used to assist both start-up businesses and existing businesses.

Are personal guarantees or a co-signer required?

Personal guarantees are required on all loans. A co-signer may also be required. Copies of tax returns may be requested during the life of the loan.

Will someone work with me directly?

Yes. Please send your completed application with personal financial statement to Jon Littlewood at: First Keystone Community Bank, 111 W. Front St. Berwick, PA 18603. Jon Littlewood and First Keystone Community Bank have assisted the Chamber with the facilitation of this loan program for more than a decade.

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What paperwork do I need to apply?

The following information is required alongside the application:

1. **Existing Businesses** – Existing businesses should submit the following:
 - a. One page application
 - b. Personal financial statement
 - c. The most recent two years of full tax returns on the business and two years of financial statements
 - d. The most recent two years of sources and uses budget
 - e. Most recent two years personal tax returns for all owners
 - f. Proposed collateral for the loan

2. **New Businesses** – New businesses should submit the following:
 - a. One page application
 - b. Personal financial statement
 - c. Most recent two years full personal tax returns for all owners
 - d. Business plan
 - e. Two-year projections of revenue and expenses
 - f. Proposed collateral for the loan

What does the committee consider when reviewing loan applications?

Due to the immediacy of need, and limited availability of funds, a recipient priority list will be developed on the basis of; a) date request was received, b) membership status, and c.) special considerations, if the Board has indicated them. Past special considerations have included: a.) impact from the pandemic, impact from a high rate of inflation, impact from local flooding, etc.

The Low Interest Loan Committee will review the application in full, and will approve/deny requests based on purpose, then make a recommendation to the Board of Directors for approval/denial for financing.

How long will the application process take?

Once the application has been accepted, the loan committee will gather to meet and make a recommendation to the Board of Directors. Once approved, the Chamber President will work schedule closing paperwork. The process takes approximately 30 days from start to finish, if approved, and barring the need for additional information.

If I've been approved for a loan, where should I send my payments?

All payments should be sent to First Keystone Community Bank directly, care of Jon Littlewood. First Keystone Community Bank regularly reports completed payments to the Chamber of Commerce, who maintains your loan schedule.



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Once I've received a loan from the Low Interest Loan Fund, may I reapply?

In order for a business/individual to re-apply for The Chamber's low interest loan financing the following criteria must be met:

1. Applicant must have paid down their current loan by a minimum of 75% of the original loan amount.
2. Applicant must have had no more than one late payment over the life of any prior loan.
3. New loan applicants take priority over re-applicants.
 - a. If the Chamber only has funds available to make a loan to a new applicant, the existing borrower will be denied additional funding.
 - b. It is at the sole discretion of The Board of Directors as to how many times a business/individual can re-apply for funding.
 - c. Business/individual must have maintained Chamber membership for at least 6 months prior to re-applying.