

## **RISE Miami-Dade Fund (Re-Investing in our Small Business Economy) FAQs**

### **What is the purpose of the RISE Miami-Dade Fund?**

The COVID-19 crisis has forced the business community to confront huge challenges. Small business owners in particular are facing highly difficult circumstances. The RISE MD Fund focuses on helping small businesses in Miami-Dade County to begin the recovery stage of economic activity through low interest rate loans.

### **Who is eligible?**

- For-profit businesses headquartered in Miami-Dade County.
- Primary residence in MDC of more than 50% of ownership.
- In business for at least 2 years (year to date).
- Annual verifiable revenues under \$5.0M and fewer than 50 Employees (including 1099's).
- Credit Score greater than 520 with no bankruptcies or foreclosure in the last 3 years.
- Priority will be given to businesses that did not receive funding from any federal or state program.

### **Can my business apply if it meets some, but not all, of the Eligibility Requirements?**

No, the business must meet ALL Eligibility Requirements to be eligible to apply.

### **I own more than one business in Miami-Dade County. Can I apply for more than one loan?**

No, one loan per borrower/business.

### **What are the loan terms?**

- Amount: maximum per borrower is \$45,000 or 50% of previous year's revenue (whichever is lower).
- Calculation: 6 times commercial lease recent monthly rent. If business is home based, 6 times residential lease (or mortgage) recent monthly lease (payment).
- Rate: Fixed at Prime Rate (currently 3.25%).
- Grace period for the first payment: 3 months from closing (no interest accrued).
- Term: 3 years (36 months) loans less than \$15k and 5 years (60 months) for loans more than \$15k.
- No prepayment penalty.

### **Is the loan forgivable?**

No, loans given under the RISE program are NOT forgivable. Additionally, a personal guarantee is required by all owners with 20% or more ownership.

### **How can my business use loan funds?**

Loan funds can be used for employee wages/salaries; inventories; payoff high interest debt; commercial lease, mortgage or rent payments; utilities; and other expenses incurred due to new safety provisions.

### **What is the process?**

1. Fill out the online application.
2. A Lender will then contact you.
3. Lender will request documents and set up a call. a. See 'What documents will I need?'
4. Once Lender has all requested documents and questions answered, you will be given preliminary approval/rejection.
5. If approved, documents are sent to Funder (DCFCU) for confirmation of eligibility and funding.

### **What documents do I need to apply?**

After filling out the application, you will be contacted and asked for the following documents:

- Copy of unexpired ID (Green card or US Passport)
- Copy of executed lease (commercial or residential) or mortgage
- Copy of personal federal tax returns for most recent year
- Copy of business federal tax returns for most recent year
- 3 Months of Business Bank Statements
- Profit & Loss for current YTD (and 2019 if returns have not been filed)
- Business Tax Receipt

### **What is Miami-Dade County Business Tax Receipt?**

A Business Tax Receipt is your license from the Miami-Dade County Tax Collector to operate a business in the County. You may know it as your "Business License". If you do not have a Business Tax Receipt, you are not properly operating a business in Miami-Dade, which makes you ineligible for the loan. For more information, please contact the Miami-Dade County Tax Collector at 305.270.4949. Alternatively, you can apply online at [www.miamidade.gov](http://www.miamidade.gov).

### **How is the closing process conducted?**

Once DCFCU receives the complete file from the Lender, a designated credit analyst will review the loan packet to ensure policy adherence and approve the file for funding.

### **What documentation is necessary for the closing process?**

All documentation used to underwrite the loan including, but not limited to, those listed under "What documents do I need to apply?" In addition, to that we will need a copy of the report used to authenticate the consumer (CIP) and OFAC verification documentation

### **What Is the Office of Foreign Asset Control (OFAC)?**

The Office of Foreign Asset Control (OFAC) is a department of the U.S. Treasury that enforces economic and trade sanctions against countries and groups of individuals involved in terrorism, narcotics and other disreputable activities.

### **How will I receive my funds?**

Once your loan is preliminarily approved, Lender will send a form where you can select to receive the funds by check, ACH, or account transfer.

### **If approved, how quickly will my business receive its loan?**

Once the DCFCU receives the complete package, providing that all required documentation is in file, and the loan is approved, funding will be within 24-48 hours after approval. Subject to funding agent satisfactory consumer authentication and OFAC verification.

### **Anything else to keep in mind?**

- Don't rush to submit. It's a two-step process, fill out the application, then a Lender will contact you.
- While waiting for the Lender, start collecting all the required documents and save as PDF or JPEG files so they are ready when requested.
- Save your work often.
- Make sure you answer each question accurately.