

Store Front Loans - Application Process

1. Make an appointment with Angela at RRFDC to discuss your idea and obtain an application form.
2. Write the RRFDC a letter requesting a store front loan. Included in the letter should be a brief summary of the idea.
3. Select a contractor to do the store front construction and have the contractor submit a quote. Included in the quote should be labour costs, material costs and any other pertinent information.
4. Take a photo of the construction area to be included with your application.
5. Bring your letter, photo and the contractor quote to the RRFDC with your application form. The RRFDC must approve the contractor and the application. Construction must not begin prior to approval.
6. Once approved, you must sign documentation at the RRFDC and then the construction process can begin.
7. Remember that the Store Front Loan covers construction costs, up to \$10,000 in the form of a loan. To satisfy the construction lien act, 10% of the total cost will be withheld until construction is complete and contractor has been paid in full. Borrower will cover the 10% until such time as the contractor indicates that the job is complete and they have been paid in full then reimbursement will go directly to the borrower.

Store Front Loans - Eligibility Criteria

The RRFDC's store front loans support entrepreneurs who require an update to their business store front in order to:

- Attract more customers to their store
- Create an attractive shopping experience
- Increase or maintain employment
- Increase sales
- Create an economic impact
- Keep up with competition

Criteria and Guidelines:

- Loans will be up to a maximum of \$10,000.
- Interest rate will be at Bank of Canada Prime rate.
- Term to a maximum of 10 years.
- Repayment will commence 1 month after construction is complete.
- Loan may be repaid in full at any time without penalty.
- Incentives for early payout.
- In accordance with the Construction Lien Act, the owner must agree to contribute 10% of the total contract up front. Once the contractors have been paid in full, the 10% holdback will be released.

Eligible Activities

- Store front, walkways, awnings, lighting, signage, windows, displays, electrical, doorways, etc.

Eligible Applicant

- Own a private sector business in the Rainy River District.
- Business must have been in operation for at least 3 years.
- Must have a visible store front in a business section of their community.
- Applicants are expected to exercise good judgement when selecting a contractor and the contractor must be approved by RRFDC prior to beginning of construction.
- All loans are on a first come – first serve basis and are reviewed individually and independent of one another.

Conditions

- Must have a plan and proposal for financing included with application.
- Must include a quote from a qualified contractor.
- Must agree to a credit check done by RRFDC.
- Must agree to sign a Promissory Note.
- Payments are made to invoices and receipts only.
- Rental businesses must have written approval from the landlord.